



**FAIRFAX COUNTY REDEVELOPMENT AND HOUSING
AUTHORITY & FAIRFAX COUNTY DEPARTMENT OF
HOUSING AND COMMUNITY DEVELOPMENT**

**PROPOSED FISCAL YEAR 2010
OPERATING AND CAPITAL
BUDGET**

**Subject of FCRHA Public Hearing
On March 5, 2009 - 7:00 p.m.
FCRHA Board Room – One University Plaza,
Fairfax**



FCRHA Mission Statement

The mission of the Fairfax County Redevelopment and Housing Authority is to initiate and provide opportunities for Fairfax County residents to live in safe, affordable housing and to help develop, preserve, and revitalize communities through fiscally responsible and open processes.

FY 2010 Budget Development Guidelines

- County-supported program budgets based on FY 2009 Adopted Budget funding level.
 - No increases proposed
 - Any County Executive adjustments/reductions as reflected in FY2010 Advertised Budget (released February 23) are not reflected
- General Fund across the board 15% reduction- \$1,249,543 for HCD
 - \$907,743 – General Fund
 - \$341,800 - Elderly Fund
- FCRHA Fund Reductions - \$497,426
 - \$417,926 - FCRHA Operating Fund
 - \$79,500 - Housing Choice Voucher Fund

FY 2010 Budget Development Guidelines

- Baseline budgeting concept applied to all FCRHA funds
 - ✓ Submitted a balanced budget for Fund 940, FCRHA
- Department of Management and Budget planning factor of 2.71% applied to salaries to fund pay for performance increases (no COLA provided).

HCD Lines of Business

- Affordable Housing Production and Preservation
- Rental Housing and Tenant Subsidies
- Homeownership
- Commercial Revitalization
 - Majority of this funding has been transferred to the Office of Community Revitalization and Reinvestment; some funds remaining in Fund 142, CDBG for Commercial Revitalization related initiatives
- Neighborhood Revitalization
- Consolidated Community Funding Pool
- Organizational Management and Development

Agency Reduction Summary

County Funds

| Priority Ranking | Reduction Description | Positions | SYE | Net Reduction |
|------------------|---|-----------|-----|---------------|
| 1 | Eliminate one (1) vacant Division Director Position | 1 | 1.0 | \$96,607 |
| 2 | Transfer the funding source for an Administrative Assistant III (accounts receivable clerk) position from the General Fund to an FCRHA-supported program (Fund 967, Public Housing) | 1 | 1.0 | \$38,507 |
| 3 | Eliminate three (3) program analyst positions and one (1) IT Tech II position | 4 | 4.0 | \$253,079 |
| 4 | Transfer two (2) General Fund-supported positions to an FCRHA-supported fund (Fund 941, Fairfax County Rental Program); will eliminate one (1) vacant position in Fund 941 | 2 | 2.0 | \$84,375 |
| 5 | Eliminate general fund support for refuse collection services at FCRHA housing properties; transfer expense to Fund 967, Public Housing | 0 | 0.0 | \$129,985 |

Agency Reduction Summary

County Funds

| Priority Ranking | Reduction Description | Positions | SYE | Net Reduction |
|------------------------|---|-----------|-------------|--------------------|
| 6 | Eliminate General Fund support for custodial services at West Glade; transfer expense to Fund 950, Housing Partnerships | 0 | 0.0 | \$20,805 |
| 7 | Eliminate funding support for one (1) Limited Term Housing Community Developer II position | 1 | 1.0 | \$50,660 |
| 8 | Reduce contract funding for language translation services | 0 | 0.0 | \$73,725 |
| 9 | Eliminate contract funding for training | 0 | 0.0 | \$160,000 |
| 10 | Close Lincolnia Assisted Living facility; transfer position to FCRHA fund (941, FCRP) | 1 | 1.0 | \$341,800 |
| TOTAL REDUCTION | | 10 | 10.0 | \$1,249,543 |

Agency Reduction Summary

FCRHA, Fund 940

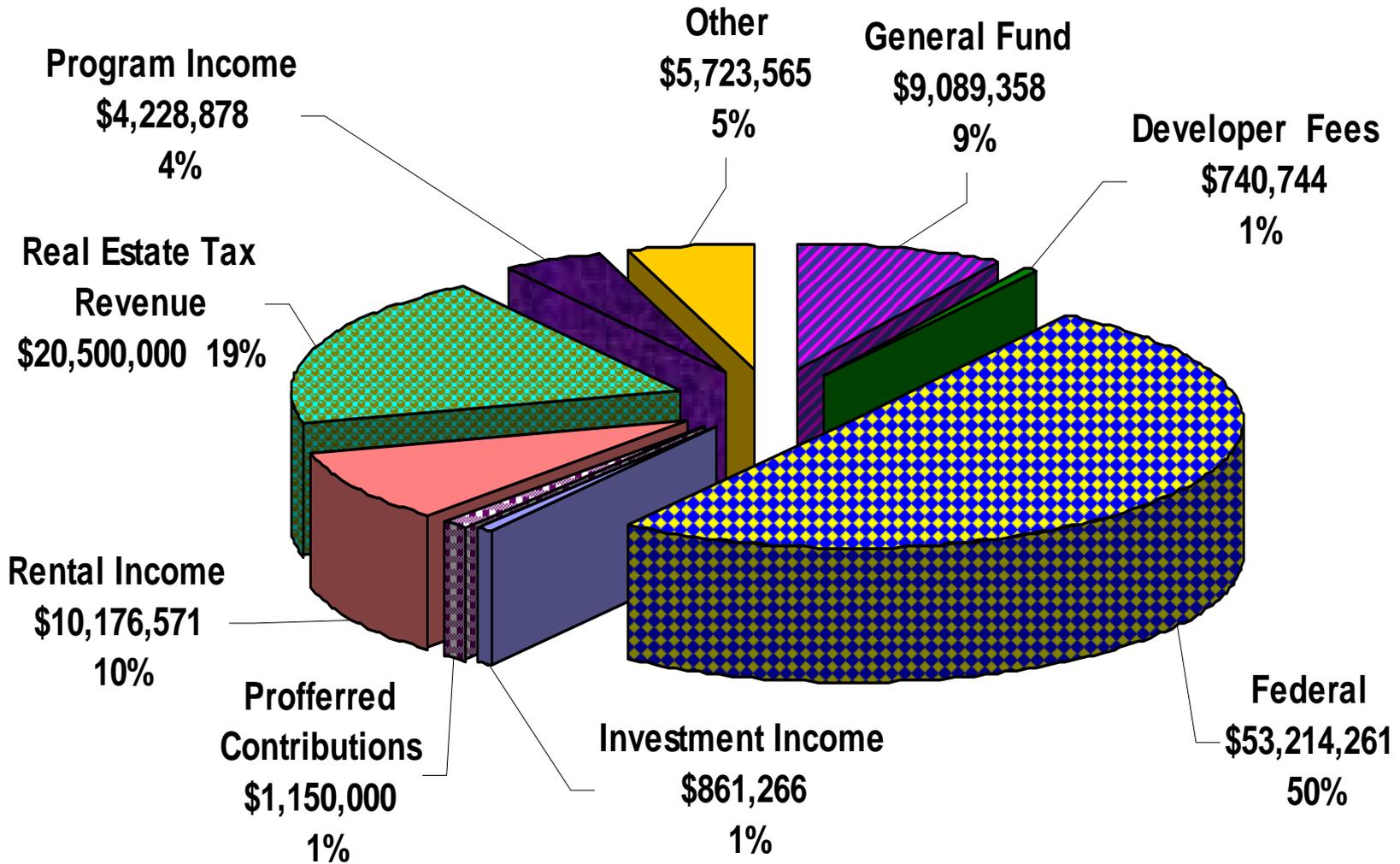
| Priority Ranking | Reduction Description | Positions | Net Reduction |
|---|--|-----------|------------------|
| 1 | Reduce operating expenses including food, subscriptions, travel and training | 0 | \$33,127 |
| 2 | Eliminate staff support for Huntington Flood Insurance Program | 1 | \$38,099 |
| 3 | Reduce staffing for Home Improvement Loan Program (HILP) | 2 | \$159,508 |
| 4 | Transfer funding source for 2 merit positions from FCRHA 940 to 142; funding source from 142 will be the NSP funds received in January, 2009 | 2 | \$154,882 |
| 5 | Eliminate one limited term position; Real Estate Finance and Grants Management additional administrative support | 1 | \$32,310 |
| TOTAL REDUCTION FCRHA - FUND 940 | | 6 | \$417,926 |

Agency Reduction Summary

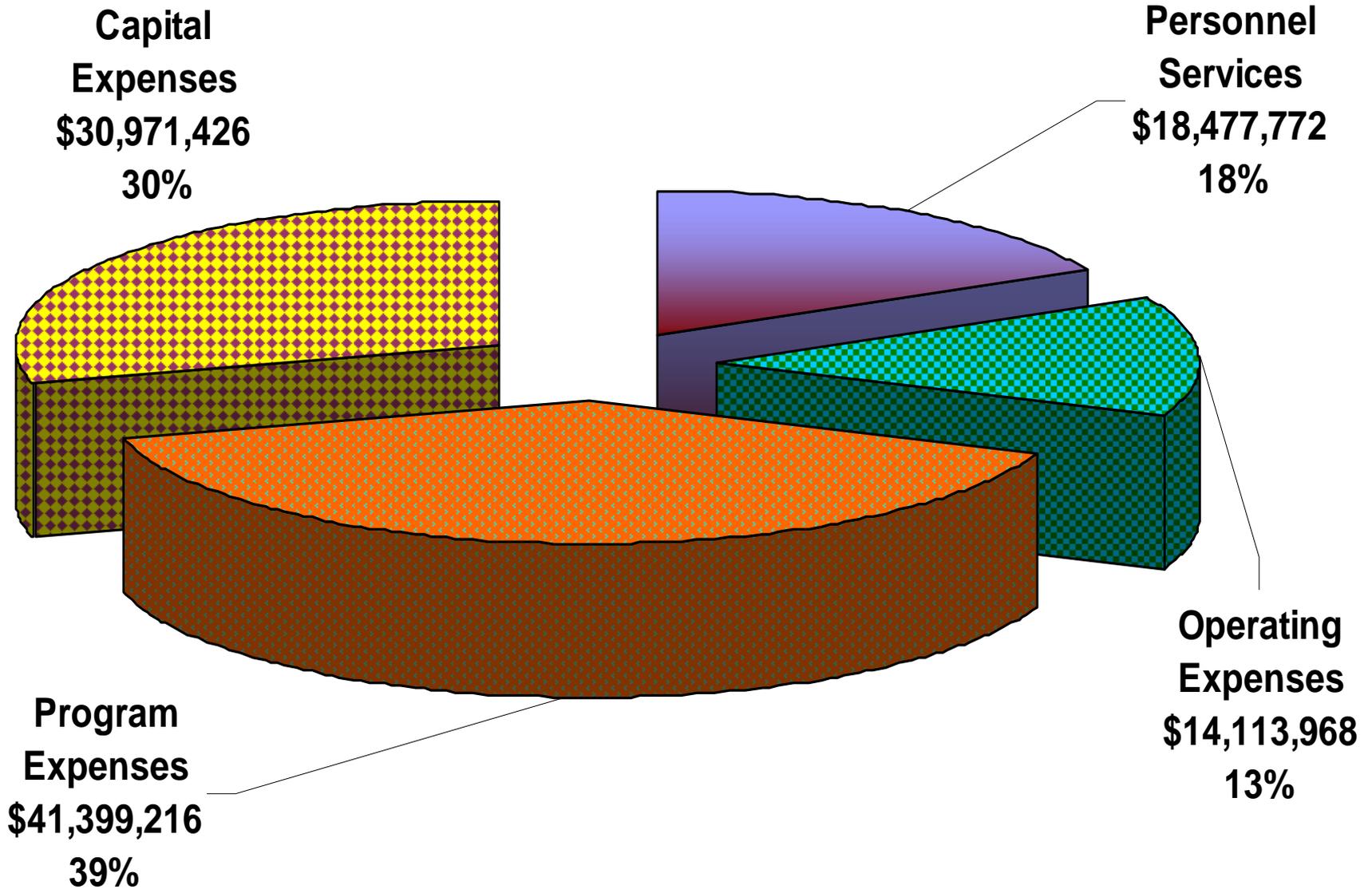
Section 8/HCV, Fund 966

| Priority Ranking | Reduction Description | Positions | Net Reduction |
|---|--|-----------|-----------------|
| 1 | Reduce funding for limited term positions and training related to the Section 8 Housing Choice Voucher Program | 2 | \$79,500 |
| TOTAL REDUCTION HCV - FUND 966 | | 2 | \$79,500 |

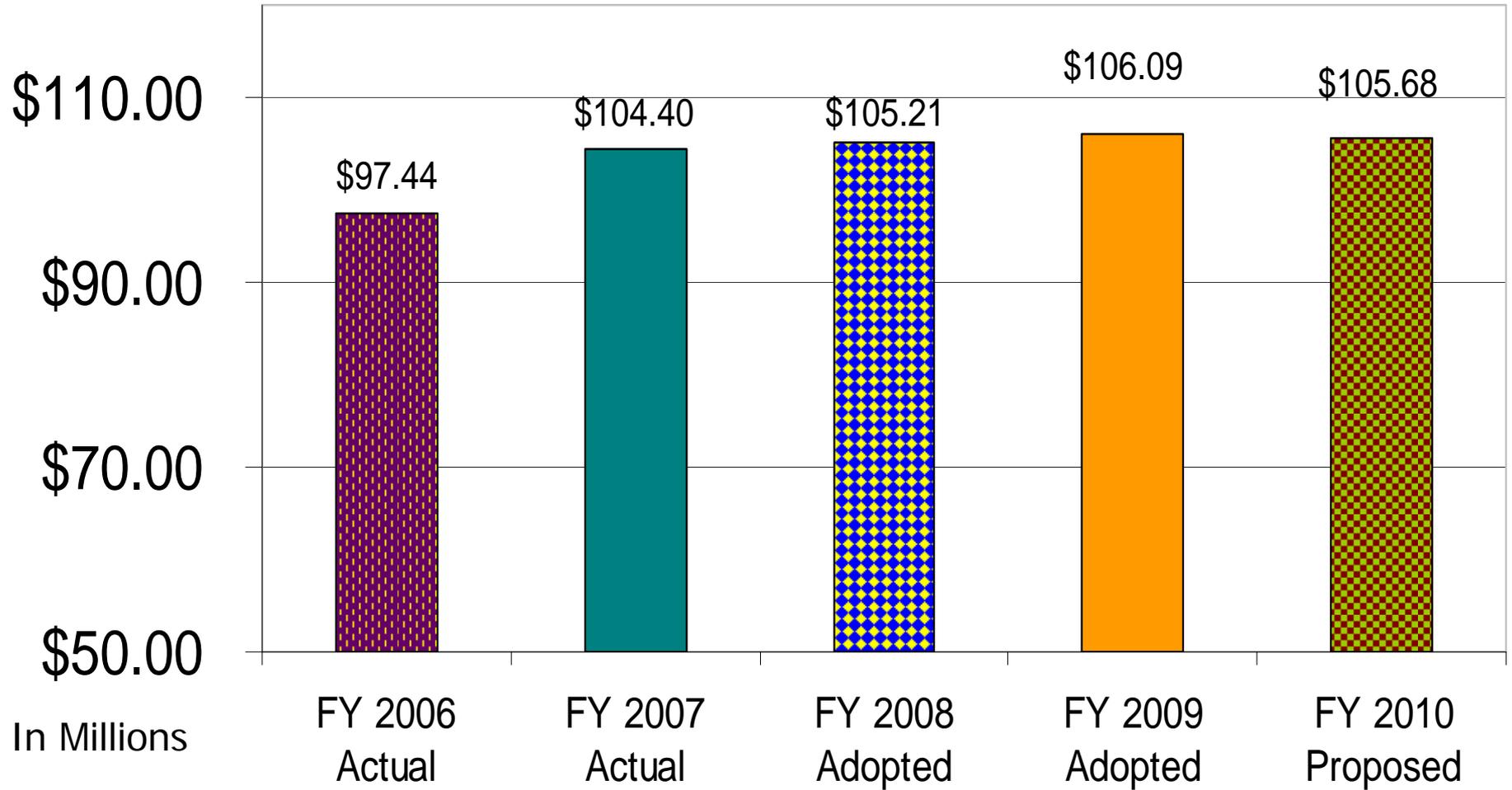
FY 2010 Revenue Sources \$105,684,643



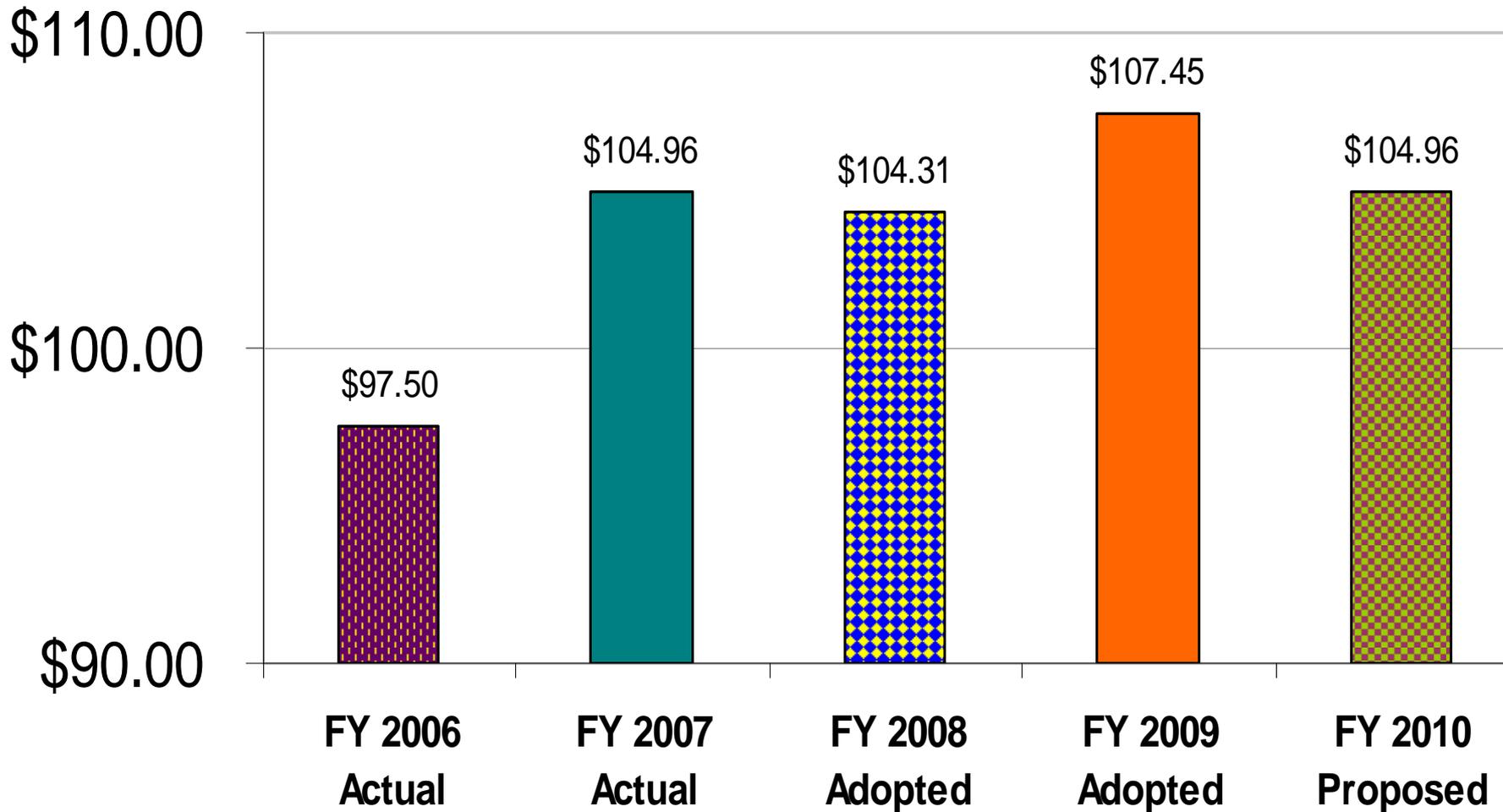
FY 2010 Total Expenditures - \$104,962,382



Revenues For FY 2006 – FY 2010

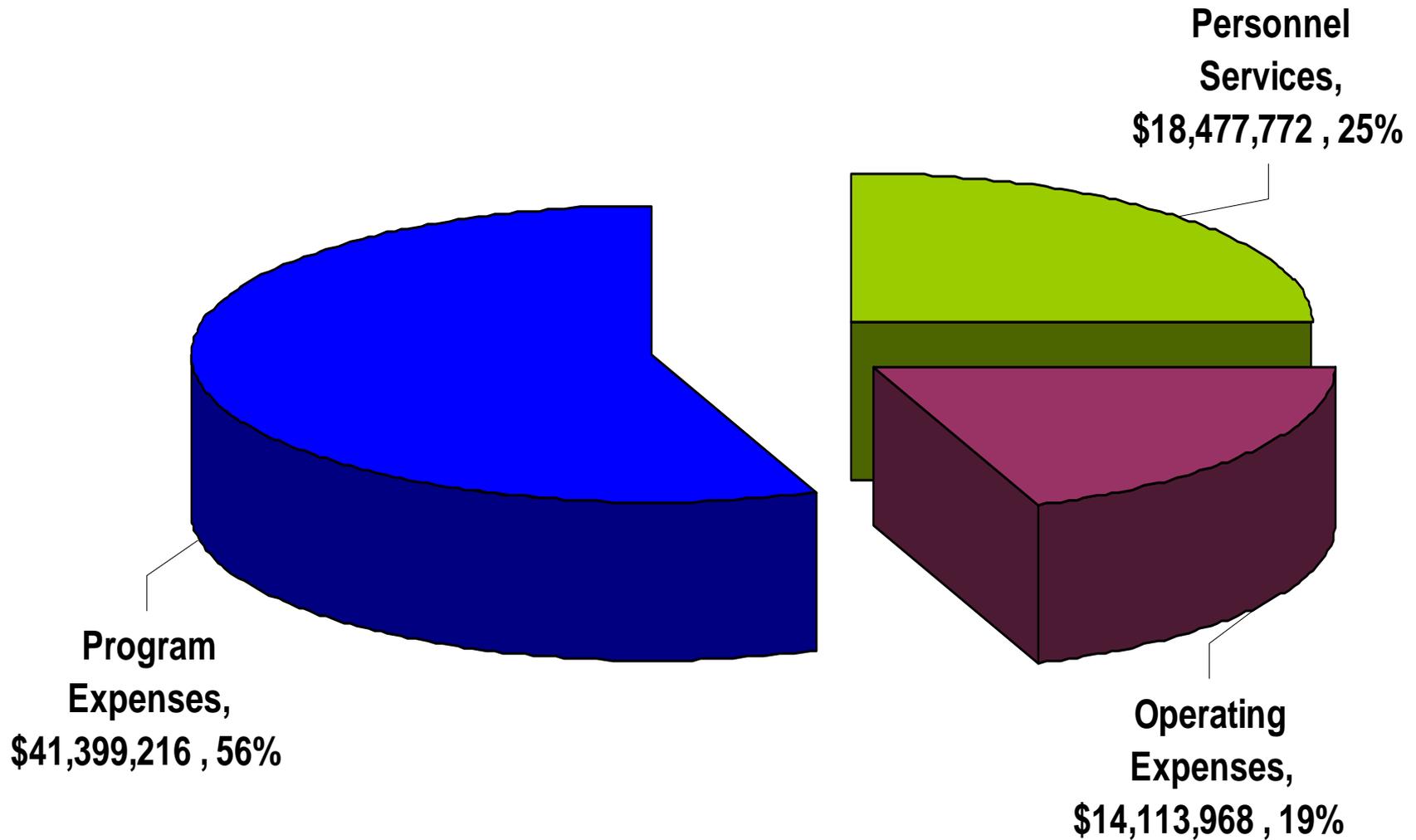


Expenditures For FY 2006 - FY 2010

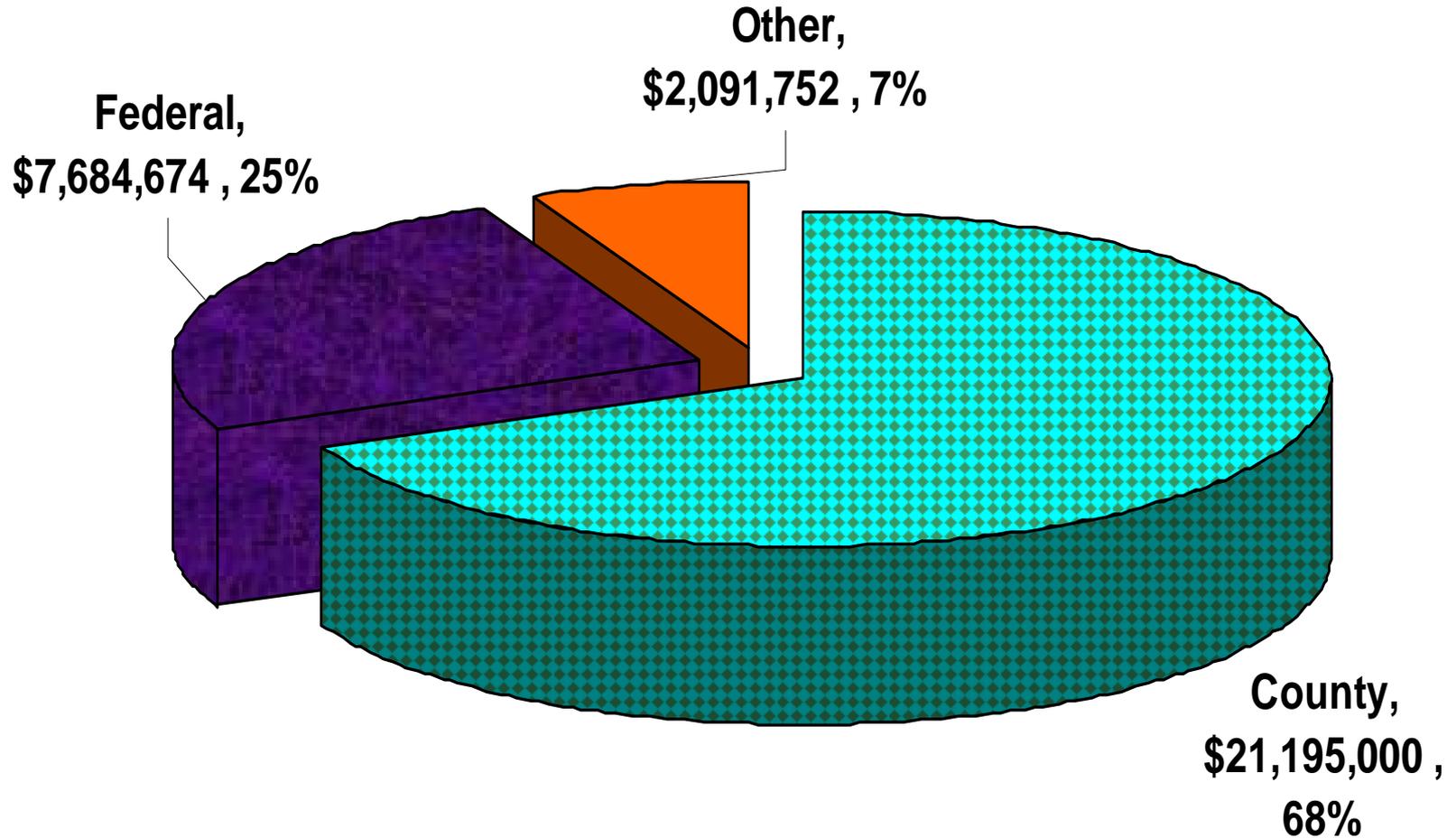


Millions

FY 2010 Operating Expenses - \$73,990,956



FY 2010 Capital Expenditures - \$30,971,426



County Appropriated Funds

33% of Total FY 2010 Budget Request

- **General Fund** – Fund 001: Supports administration and operation of programs within the Department of Housing and Community Developed (HCD).
- **Elderly Program** – Fund 141: Supports the operational costs of three elderly developments (Little River Glen, Lincolnia, and Lewinsville) consisting of 220 units.
- **Homeowner and Business Loan Program** – Fund 143: Provides support for the Home Improvement Loan Program, Homebuyer Program, Home Repair for the Elderly Program and Small Minority Business Loan Program.
- **Housing Trust Fund** – Fund 144: Established by the County to provide funding for a variety of housing initiatives, including the development, acquisition and preservation of affordable housing; funding sources include investment income and proffered contributions from developers.
- **The Penny for Affordable Housing Fund** – Fund 319: One penny on the real estate tax rate is dedicated to the preservation of affordable housing in the County. In FY 2008 that amounted to \$22.7 million.
- **Housing Assistance Fund** – Fund 340: Supports neighborhood revitalization which is supported by federal EDI grants and Section 108 loans.

| Category | FY 2008 Actual Expenditures | FY 2009 Adopted Budget Plan | FY 2010 Requested Expenditure Budget | FY 2010 Requested Revenue Budget |
|---|-----------------------------|-----------------------------|--------------------------------------|----------------------------------|
| County Appropriated Funds: | | | | |
| Operating: | | | | |
| 001 General Fund | \$ 6,389,662 | \$ 6,557,645 | \$ 6,861,133 | \$ 6,861,133 |
| 141 Elderly Housing Programs | \$ 3,148,418 | \$ 3,488,334 | \$ 3,624,333 | \$ 3,602,963 |
| 143 Homeowners and Business Loan Programs | \$ 3,493,404 | \$ 1,830,617 | \$ 1,870,161 | \$ 1,870,161 |
| Total County Appropriated Operating Expenditures | \$ 13,031,484 | \$ 11,876,596 | \$ 12,355,627 | \$ 12,334,257 |
| Capital: | | | | |
| 144 Housing Trust Fund | \$ 2,294,282 | \$ 2,850,000 | \$ 1,250,000 | \$ 1,250,000 |
| 319 The Penny for Affordable Housing Fund | \$ 24,696,722 | \$ 22,800,000 | \$ 20,500,000 | \$ 20,500,000 |
| 340 Housing Assistance Program | \$ 5,024,913 | \$ 515,000 | \$ 695,000 | \$ 695,000 |
| Total Capital Expenditures | \$ 32,015,917 | \$ 26,165,000 | \$ 22,445,000 | \$ 22,445,000 |
| Total County Appropriated Fund Expenditures | \$ 45,047,401 | \$ 38,041,596 | \$ 34,800,627 | \$ 34,779,257 |

Note:

*Fund 141 includes funding support from CDBG, which is a federally supported program. These funds are included as part of the Federal Funding Sources on the "Funding Sources" pie chart. Additionally, Fund 141 includes General Fund support that is reflected under the "General Fund" on the "Funding Sources" pie chart.

*All funds include revenue earned from investment income, which is categorized as "Investment Income" on the "Funding Sources" pie chart.

FCRHA (Non-County) Appropriated Funds

12% of Total FY 2010 Budget Request

- **FCRHA General Revenue and Operating** – Fund 940: Supports the administration and operation of programs within the Department of Housing and Community Development (HCD) and the FCRHA.
- **Fairfax County Rental Program** – Fund 941: Supports operating expenses for the rental of FCRHA owned units; group home projects; and, the Woodley Hills Estates mobile home park.
- **Rehabilitation Loan Program** – Fund 945: Provides financial assistance to low and moderate income homeowners to make needed improvements to their homes
- **FCRHA Revolving Development** – Fund 946: Provides interim funding to enable projects to move to construction until permanent financing is in place.
- **FCRHA Private Financing** – Fund 948: Bank loans and other outside sources of funding are accounted for in this fund.
- **FCRHA Internal Service** – 949: Internal charges for goods and services (telephone, office supplies, etc.) are allocated out from this fund to all other funds proportionate to their share.
- **Housing Partnerships** – 950: Supports operating expenses for properties jointly owned by the FCRHA and private investors/partners.

| Category | FY 2008 Actual Expenditures | FY 2009 Adopted Budget Plan | FY 2010 Requested Expenditure Budget | FY 2010 Requested Revenue Budget |
|---|-----------------------------|-----------------------------|--------------------------------------|----------------------------------|
| Funds Managed by the FCRHA: | | | | |
| Operating: | | | | |
| 940 FCRHA General Revenue and Operating | \$ 2,684,375 | \$ 3,240,490 | \$ 2,892,273 | \$ 2,892,920 |
| 941 Fairfax County Rental Program | \$ 4,108,466 | \$ 4,060,253 | \$ 4,103,807 | \$ 4,505,077 |
| 949 Internal Service Fund | \$ 3,730,848 | \$ 3,483,775 | \$ 3,844,658 | \$ 3,844,658 |
| 950 Housing Partnerships | \$ 1,222,568 | \$ 974,351 | \$ 1,195,741 | \$ 1,195,741 |
| Total FCRHA Operating Expenditures | \$ 11,746,257 | \$ 11,758,869 | \$ 12,036,479 | \$ 12,438,396 |
| Capital: | | | | |
| 945 FCRHA Non-County Appropriated Rehabilitation Loan Program | \$ 29 | \$ 15,000 | \$ 25,000 | \$ 32,486 |
| 946 FCRHA Revolving Development | \$ 2,687,726 | \$ - | \$ - | \$ 66,072 |
| 948 FCRHA Private Financing | \$ 1,544,874 | \$ 858,035 | \$ 816,752 | \$ 816,752 |
| Total FCRHA Capital Expenditures | \$ 4,232,629 | \$ 873,035 | \$ 841,752 | \$ 915,310 |
| Total FCRHA Funds | \$ 15,978,886 | \$ 12,631,904 | \$ 12,878,231 | \$ 13,353,706 |

Note:

*The FY 2010 Requested Revenue that is listed above reflects total anticipated revenue for that fund regardless of its funding source. The previously depicted "Funding Sources" pie chart looks at agency revenue by its funding source (rental income, investment income, federal subsidy, etc.)

Federal Supported Funds

55% of Total FY 2010 Budget Request

- **Community Development Block Grant** – Fund 142: Annual grant from U.S. Dept. of Housing and Urban Development (HUD). Used to support a variety of community development and housing activities as well as local nonprofits providing services to low income households.
- **HOME Investment Partnership Grant** – Fund 145: Annual HUD grant that supports development and rehabilitation of affordable housing and provides tenant-based rental assistance for qualified households.
- **Housing Grants Fund** – Fund 965: Established to track specialized grants that are awarded directly to the FCRHA, such as the ROSS grant which assists families through counseling and other services to become self-sufficient.
- **Section 8 Annual Contribution** – Fund 966: Federally supported program that provides rental assistance in the form of Housing Choice Vouchers to income eligible families.
- **Public Housing Program Projects Under Management** – Fund 967: Provides federal funding for the operation of various public housing developments and units owned by the FCRHA throughout the County.
- **Public Housing Program Projects Under Modernization** – Fund 969: Funded allocated by HUD to support capital improvements within the FCRHA's Public Housing program.

| Category | FY 2008 Actual Expenditures | FY 2009 Adopted Budget Plan | FY 2010 Requested Expenditure Budget | FY 2010 Requested Revenue Budget |
|--|--------------------------------|--------------------------------|---|--|
| Federal/State Support: | | | | |
| 965 Housing Grants Fund | \$ 174,597 | \$ - | \$ - | \$ - |
| 966 Section 8 Annual Contribution | \$ 38,739,446 | \$ 40,960,248 | \$ 41,236,692 | \$ 41,166,878 |
| 967 Public Housing Program Projects Under Management | \$ 6,927,834 | \$ 7,219,742 | \$ 7,669,168 | \$ 8,007,138 |
| 969 Public Housing Program Projects Under Modernization | \$ 1,651,288 | \$ - | \$ - | \$ - |
| 142 Community Development Block Grant | \$ 6,090,771 | \$ 6,162,472 | \$ 5,928,982 | \$ 5,928,982 |
| 145 HOME Investment Partnership Grant | \$ 2,263,827 | \$ 2,439,575 | \$ 2,448,682 | \$ 2,448,682 |
| Total Federal/State Support | \$ 55,847,763 | \$ 56,782,037 | \$ 57,283,524 | \$ 57,551,680 |

Note:

*The FY 2010 Requested Revenue Budget that is listed above reflects total anticipated revenue for that fund regardless of its funding source. The previously depicted "Funding Sources" pie chart looks at total agency revenue by its funding source (rental income, investment income, federal subsidy, etc.)

FY 2010 Strategic Plan Highlights

Highlights of the adopted Fairfax County Redevelopment and Housing Authority (FCRHA) Strategic Plan – Action Plan for FY 2010 include:

- Ongoing response to the foreclosure crisis in Fairfax County, including the implementation of the federal Neighborhood Stabilization Program (NSP) funds;
- Permanent financing of all or a portion of Wedgewood Apartments, a 672-unit rental complex acquired and preserved as affordable housing by Fairfax County in November 2007 (Braddock District).
- Continued preservation of affordable housing by direct FCRHA purchases, or the acquisition of units by other affordable housing developer through FCRHA financing.
- Implementation and management of Fairfax County's new Workforce Housing Program.
- Providing specialized rental housing, consistent with the goals of the Countywide 10-Year Plan to Prevent and End Homelessness.
- Construction of Olley Glen, 90 units of senior independent living on the Little River Glen campus (Braddock District).
- Rehabilitation/modernization of FCRHA-owned Public Housing units.

The full Strategic Plan-Action Plan for FY 2010 can be viewed at:
<http://www.fairfaxcounty.gov/rha/strategicplan/fy2010strategicplan.pdf>

FY 2010 Budget Timeline

- **February 23, 2009:** County Executive's Advertised Budget released
- **March 5, 2009:** FCRHA Budget Public Hearing
- **March 30 & 31; April 1, 2009:** BOS Budget Public Hearings
- **April 27, 2009:** BOS adopts FY 2009 Budget
- **April 30, 2009:** FCRHA adopts FY 2010 Budget