



Update on Funding for Federal Housing Programs

Update

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Impact of the FY17 Consolidated Appropriations Act

- **CDBG and HOME:** Likely means level funding for Fairfax County; FY 2018 Consolidated Plan to be brought to the Board this summer for approval with no significant changes

Impact of the FY17 Consolidated Appropriations Act

- **Public Housing:** Likely means level funding for the remainder of the federal fiscal year; however, the FCRHA anticipates being out of the Public Housing program by the end of the calendar year via RAD conversion
 - Public Housing likely to see severe funding cuts, particularly for capital maintenance

Impact of the FY17 Consolidated Appropriations Act

- **Housing Choice Voucher:**
 - Slightly improved funding for the remainder of the calendar year
 - Still preparing for worst-case scenarios in Federal Fiscal Year 2018 and beyond

Housing Choice Voucher Program – A Closer Look

- Anticipated FY 2017 Budget: \$57 million
- Almost 10,000 people housed in the program as of the end of FY 2016
- Average income served: \$17,470/family – extremely low income

Impact of the FY17 Consolidated Appropriations Act

- Based on HUD guidance, HCD has been analyzing a “worst case scenario” in the HCV program based on receiving a proration factor of 94 percent of eligible funding from HUD.
- Post FY17 Omnibus Spending bill, HUD guidance is to expect approximately 97 percent of our eligible funding
 - HCD is continuing to analyze the details
 - Anticipate receiving about \$1.5 million more than our initial projections
 - Still three percent less than our eligibility

Looking Ahead

- HCD is conducting projections for each of the next three federal fiscal years
 - Based on the federal Budget Blueprint for FY 2018, HCD assumes a gradual, steady decline in funding
- Using the FCRHA's Moving to Work authority, HCD is analyzing program changes to reduce program costs to minimize families being removed from program
- Based on initial analysis, even with program changes, there is still the real possibility of terminations

Options Under Consideration

- Increasing the family's share of rent to 37 percent of income (currently at 35% for "work-able" families).
- Providing subsidies to families based on two persons per bedroom
- Raising the minimum rent for all "work-able" families to a level that assumes at least one person in the household can work a minimum wage job.
- Denying all rent increase requests by HCV landlords

Next Steps on the Housing Choice Voucher Program

- Continue work with the THRIVE Advisory Committee
- Brief Resident Advisory Council
- Advise the Board of final recommendations
- FCRHA action anticipated in July 2017

Questions/Comments