

Fund 81100: Fairfax County Rental Program

Mission To manage affordable rental housing acquired by the Fairfax County Redevelopment and Housing Authority (FCRHA) and to maintain and preserve the units for long-term rental availability.

Focus Fund 81100, Fairfax County Rental Program (FCRP) is a local rental housing program developed and managed by the Department of Housing and Community Development (HCD) for the FCRHA. The FCRP is designed to provide affordable rental housing in the County for low- and moderate-income families. The FCRP includes projects developed by the FCRHA and other privately developed or rehabilitated housing units acquired by the FCRHA or Fairfax County. In FY 2021, Fund 81100, FCRP, will support a total of 1,484 units consisting of multi-family rental properties, senior independent units, and specialized units and beds in FCRHA-owned group homes that are internally or third-party managed.

The operation of this program is primarily supported by tenant rents, and the County's General Fund is also charged directly for payments in support of condominium fees. In addition, debt service contributions are received from Fund 40330, Elderly Housing Programs, to provide support for the debt service costs of Little River Glen, an elderly housing development owned by the FCRHA. Accounting procedures require that the debt service for this project be paid out of Fund 81100, FCRP, although the operating costs are reflected in Fund 40330, Elderly Housing Programs.

In addition, HCD staff administers contracts between the FCRHA and private firms hired to manage Crescent Apartments, Hopkins Glen, Little River Square, Mt. Vernon Gardens, and Wedgewood Apartments. In FY 2020, an additional 54 scattered sites were contracted to third-party private firms for management of these properties. Therefore, in total, 1,145 units are contracted to third-party management. In addition, there are 62 units of group homes that belong to FCRP but are managed by the Fairfax-Falls Church Community Services Board (CSB). For FY 2021, 277 units will be internally managed of the 1,484 total FCRP units. There are no anticipated unit transitions to third-party management in FY 2021.

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The following charts summarize the total number of units in the Rental Program and Group Homes in FY 2021 and the projected operating costs associated with the units:

Project Name	Units	FY 2021 Budget	District
Cedar Lakes	3	\$70,723	Sully
Charleston Square	1	21,922	Springfield
Chatham Town	10	158,552	Braddock
Coan Pond (Working Singles Housing Program)	19	175,128	Providence
Colchester Towne	24	324,675	Lee
East Market	4	89,734	Springfield
Fair Oaks Landing	3	104,011	Springfield
Fairfax Ridge Condo	1	20,316	Springfield
Halstead	4	72,452	Providence
Holly Acres	2	59,608	Lee
Legato Corner Condominiums	13	233,197	Springfield
Little River Glen (Debt Service)	0	547,616	Braddock
Metrowest	6	78,137	Providence
Penderbrook	48	826,371	Providence
Royal Lytham Drive – ADU	1	24,727	Sully
Saintsbury Plaza ¹	6	91,971	Providence
Westcott Ridge	10	188,470	Springfield
Willow Oaks	7	117,344	Sully
Woodley Hills Estates	115	554,142	Mt. Vernon
Subtotal²	277	\$3,759,096	

¹ The six units at Saintsbury Plaza are age restricted and managed as senior properties. Senior independent properties, other than Saintsbury Plaza, that are directly managed by the FCRHA are reflected under Fund 40330, Elderly Housing Programs.

² In FY 2020, 54 scattered sites were contracted to third-party management companies. Those properties are reflected in the third-party managed property matrix and include: Discovery Square, Faircrest, Glenwood Mews, Island Creek, Laurel Hill, Lorton Valley, Madison Ridge, Northampton, Stockwell Manor, and Stonegate at Faircrest.

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Third-Party Managed Projects ¹	Units	FY 2021 Budget	District
Bryson at Woodland Park	4	\$0	Hunter Mill
Crescent Apartments	180	0	Hunter Mill
Discovery Square	5	0	Sully
Faircrest	6	0	Sully
Fox Mill	2	0	Hunter Mill
Glenwood Mews	9	0	Lee
Hopkins Glen	91	0	Providence
Island Creek	8	0	Lee
Laurel Hill	6	0	Mt. Vernon
Little River Square	45	0	Springfield
Lorton Valley	2	0	Mt. Vernon
Madison Ridge	10	0	Sully
McLean Hills	25	0	Providence
Mt. Vernon Gardens	34	0	Lee
Northampton	4	0	Lee
ParcReston	23	0	Hunter Mill
Stockwell Manor	3	0	Dranesville
Stonegate at Faircrest	1	0	Springfield
Springfield Green	14	0	Lee
Wedgewood Apartments	672	0	Braddock
Westbriar	1	0	Providence
Subtotal	1,145	\$0	
Group Homes	Units	FY 2021 Budget	District
Bath Street Group Home ²	8	\$0	Springfield
Dequincey Group Homes	5	6,690	Braddock
First Stop Group Home	8	68,810	Springfield
Leland Group Home	8	800	Sully
Minerva Fisher Group Home	12	36,751	Providence
Mount Vernon Group Home	8	6,317	Mt. Vernon
Patrick Street Group Home	8	705	Providence
Rolling Road Group Home	5	2,517	Mt. Vernon
Subtotal	62	\$122,590	
Total Units/Fund Expenditures³	1,484	\$3,912,239	
Less Debt Service		(\$547,616)	
Net Fund Expenditures		\$3,364,623	

¹ These units are part of the FCRP but the properties are managed and maintained by private contractors. All funding for these units will be budgeted and reported by the property management firm and reported to the department on a regular basis. It should also be noted that a variety of other FCRP multifamily and senior independent units are owned by FCRHA-controlled partnerships and are either privately managed by third-party entities or are managed directly by the FCRHA under Fund 81200, Housing Partnerships.

² Bath Street is an eight-bedroom group home facility that was purchased by the FCRHA in FY 2016. In FY 2017, this property was leased to the Fairfax-Falls Church Community Services Board (CSB) and is managed by a third-party contractor who will provide operations and maintenance support to the facility. Funding shown supports activities that must be managed by HCD, such as fire inspections, as well as internal maintenance that is required and reimbursement is sought.

³ Total expenditures for FY 2021 include \$30,553 in the FCRP Operating Fund for general program oversight.

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Budget and Staff Resources

Category	FY 2019 Actual	FY 2020 Adopted	FY 2020 Revised	FY 2021 Advertised
FUNDING				
Expenditures:				
Personnel Services	\$1,944,202	\$1,886,929	\$1,886,929	\$2,082,717
Operating Expenses	2,010,509	2,092,048	2,189,081	1,829,522
Capital Equipment	305,216	0	597,928	0
Total Expenditures	\$4,259,927	\$3,978,977	\$4,673,938	\$3,912,239
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	24 / 24	24 / 24	26 / 26	26 / 26

FY 2021 Funding Adjustments

The following funding adjustments from the FY 2020 Adopted Budget Plan are necessary to support the FY 2021 program:

Employee Compensation **\$69,136**
 An increase of \$69,136 in Personnel Services includes \$39,298 for a 2.06 percent market rate adjustment (MRA) for all employees and \$29,838 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2020.

Other Post-Employment Benefits **(\$13,461)**
 A decrease of \$13,461 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust, in Volume 2 of the FY 2021 Advertised Budget Plan.

Spending Alignments **(\$122,413)**
 A net decrease of \$122,413 comprises \$262,526 in Operating Expenses primarily due to 54 scattered sites being contracted to third-party managed private firms in FY 2020, partially offset by an increase of \$140,113 in Personnel Services based on an alignment of actual spending trends.

Changes to FY 2020 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2020 Revised Budget Plan since passage of the FY 2020 Adopted Budget Plan. Included are all adjustments made as part of the FY 2019 Carryover Review, and all other approved changes through December 31, 2019.

Carryover Adjustments **\$694,961**
 As part of the FY 2019 Carryover Review, the Board of Supervisors approved funding of \$694,961 due to unexpended project balances of \$597,928 and encumbered carryover of \$97,033.

Position Realignment **\$0**
 As part of an ongoing effort to realign positions within the Department of Housing and Community Development based on real-time tracking, posting of time and attendance and programmatic operations, 1/1.0 FTE Housing Services Specialist III, 2/2.0 FTE Housing Services Specialist II and 1/1.0 FTE Housing Services Specialist I were transferred from Fund 81300, RAD – Project-Based Voucher to Fund 81100, FCRP, and 1/1.0 FTE Housing Services Specialist III and 1/1.0 FTE Housing Services Specialist I were transferred from Fund 81100, FCRP to Fund 81510, Housing Choice Voucher.

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Position Detail

The FY 2021 Advertised Budget Plan includes the following positions:

FAIRFAX COUNTY RENTAL PROGRAM - 26 Positions			
Rental Housing Property Management			
2	Housing/Community Developers IV	1	Electrician II
1	Housing/Community Developer II	1	Plumber II
1	Housing Services Specialist IV	1	Engineering Technician II
1	Housing Services Specialist III	1	Material Management Specialist III
4	Housing Services Specialists II	3	General Building Maintenance Workers II
1	Housing Services Specialist I	2	General Building Maintenance Workers I
1	Human Services Assistant	2	Administrative Assistants IV
1	Assistant Supervisor Facilities Support	2	Administrative Assistants II
1	Chief Building Maintenance Section		

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FUND STATEMENT

Category	FY 2019 Actual	FY 2020 Adopted Budget Plan	FY 2020 Revised Budget Plan	FY 2021 Advertised Budget Plan
Beginning Balance	\$7,022,747	\$5,930,187	\$6,474,911	\$5,555,418
Revenue:				
Dwelling Rents ¹	\$3,025,278	\$2,902,220	\$2,902,220	\$2,312,845
Investment Income ¹	129,295	129,426	129,426	125,957
Other Income	48,698	213,980	213,980	52,183
Debt Service Contribution (Little River Glen)	508,820	508,819	508,819	508,820
Total Revenue	\$3,712,091	\$3,754,445	\$3,754,445	\$2,999,805
Total Available	\$10,734,838	\$9,684,632	\$10,229,356	\$8,555,223
Expenditures:				
Personnel Services	\$1,944,202	\$1,886,929	\$1,886,929	\$2,082,717
Operating Expenses ¹	2,010,509	2,092,048	2,189,081	1,829,522
Capital Outlay	305,216	0	597,928	0
Total Expenditures	\$4,259,927	\$3,978,977	\$4,673,938	\$3,912,239
Total Disbursements	\$4,259,927	\$3,978,977	\$4,673,938	\$3,912,239
Ending Balance²	\$6,474,911	\$5,705,655	\$5,555,418	\$4,642,984
Operating Reserve	\$4,203,996	\$5,121,968	\$3,882,431	\$2,969,997
Capital Reserve	597,928	0	0	0
Little River Glen Debt Reserve	1,672,987	0	1,672,987	1,672,987
Cash with Fiscal Agent	0	583,687	0	0
Unreserved Ending Balance	\$0	\$0	\$0	\$0

¹ In order to account for revenues and expenditures in the proper fiscal year, audit adjustments have been reflected as a decrease of \$18,860.67 to FY 2019 revenues and a decrease of \$173,540 in FY 2019 expenditures to record interest income, payment to bond holders, reclassify expenditures and adjust for cost allocation and leave accrual. These audit adjustments were included in the FY 2019 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustments will be included in the FY 2020 Third Quarter Package.

² Ending balances fluctuate due to adjustments in revenues and expenditures, as well as the carryover of balances each year.