

Fund 81200: Housing Partnerships

Mission To provide affordable rental housing through partnerships between the Fairfax County Redevelopment and Housing Authority (FCRHA) and private investors.

Focus Fund 81200, Housing Partnerships, was created in FY 2002 to allow the FCRHA to efficiently track partnership properties in the Federal Low Income Housing Tax Credit program (LIHTC), which promotes private investment in affordable housing through partnerships between private investors and the FCRHA. The Housing Partnerships fund supports a portion of the operating expenses for LIHTC properties that are owned by limited partnerships of which the FCRHA is the managing general partner. In FY 2021, the FCRHA will directly manage three partnership properties: Tavenner Lane, Murraygate Village and Olley Glen. Some operating costs of these three properties are tracked through the County's financial system; however, a separate property management system, Yardi, is required to maintain partnership accounts and meet partnership calendar year reporting schedules. The operation of these developments is primarily supported by tenant rents with a County reimbursement for real estate taxes budgeted in the General Fund. The revenue collected from rents and property excess income is also monitored by Yardi and utilized by the partnerships to reimburse the FCRHA for expenses incurred to support salaries, maintenance and other operating expenses as identified in Fund 81200.

Eight other partnership properties receive a County reimbursement for real estate taxes budgeted in the General Fund but are managed by third-party management companies and are not reported in the County's financial system. These other partnership properties include Castellani Meadows, The Green, Herndon Harbor House I & II, Stonegate Village, Cedar Ridge, Morris Glen, and Gum Springs Glen.

The following tables summarize the number of units for each property managed by the FCRHA, as well as those managed by third-party companies, and the projected FY 2021 operating costs.

FCRHA-Managed Properties	Units	FY 2021 Cost	District(s)
Tavenner Lane ¹	24	\$180,375	Lee
Murraygate Village	200	900,331	Lee
Olley Glen	90	574,564	Braddock
Total Partnership Program	314	\$1,655,270	

¹ Of the 24 units of Tavenner Lane, 12 are part of the federally assisted Rental Assistance Demonstration (RAD) program and are reflected in Fund 81300, RAD-PBV. However, operating expenses for all 24 units are included in Fund 81200 since they are all owned by Tavenner Lane Limited Partnership.

Third-Party Managed Properties ²	Units	FY 2021 Cost	District
Herndon Harbor I & II	120	\$0	Dranesville
Stonegate Village	240	0	Hunter Mill
Castellani Meadows	24	0	Sully
The Green	74	0	Providence, Hunter Mill, and Sully
Cedar Ridge	198	0	Hunter Mill
Morris Glen	60	0	Lee
Gum Springs Glen	60	0	Mt. Vernon
Total Third-Party Managed	776	\$0	

² The properties are managed and maintained by a third-party management company. All funding for these units will be budgeted and reported by the property management firm and reported to HCD on a regular basis.

Budget and Staff Resources

Category	FY 2019 Actual	FY 2020 Adopted	FY 2020 Revised	FY 2021 Advertised
FUNDING				
Expenditures:				
Personnel Services	\$731,833	\$779,787	\$779,787	\$569,235
Operating Expenses	3,270,180	1,621,007	3,849,014	1,086,035
Capital Equipment	737,483	0	22,330,046	0
Total Expenditures	\$4,739,496	\$2,400,794	\$26,958,847	\$1,655,270
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)				
Regular	7 / 7	7 / 7	9 / 9	9 / 9

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 **\$19,977**
 An increase of \$19,977 in Personnel Services includes \$11,355 for a 2.06 percent market rate adjustment (MRA) for all employees and \$8,622 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2020.

Other Post-Employment Benefits **(\$4,459)**
 A decrease of \$4,459 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.

Third-Party Management **(\$761,042)**
 A decrease of \$761,042 comprises \$226,070 in Personnel Services and \$534,972 in Operating Expenses as a result of Castellani Meadows and The Green shifting to third-party management in FY 2020.

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 **\$11,744,335**
 As part of the *FY 2019 Carryover Review*, the Board of Supervisors approved funding of \$11,744,335 due to encumbered carryover of \$11,672,335 and \$72,000 to support maintenance needs at Olley Glen.

Out-of-Cycle Adjustments **\$12,753,718**
 Prior to the *FY 2019 Carryover Review*, an appropriation of \$12,753,718 was included in FY 2020 to support the ongoing renovation of Murraygate Village Apartments.

Out-of-Cycle Adjustments **\$60,000**
 An increase of \$60,000 in Operating Expenses was included to support increased maintenance expenses at Tavenner Lane.

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 IV and 1/1.0 FTE Housing Services Specialist II were transferred from Funds 40330, Elderly Housing Programs, and 81300, RAD – Project-Based Voucher to Fund 81200, Housing Partnerships.

Position Detail

The FY 2021 Advertised Budget Plan includes the following positions:

HOUSING PARTNERSHIPS - 9 Positions			
Rental Housing Property Management			
1	HCD Division Director	1	HVAC II
1	Housing Services Specialist IV	1	General Building Maintenance Worker II
3	Housing Services Specialists II	1	Plumber I
1	Housing Services Specialist I		

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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	\$36,446	\$36,446	\$36,446	\$36,446
Revenue:				
FCRHA Reimbursements	\$4,739,496	\$2,400,794	\$26,958,847	\$1,655,270
Total Revenue	\$4,739,496	\$2,400,794	\$26,958,847	\$1,655,270
Total Available	\$4,775,942	\$2,437,240	\$26,995,293	\$1,691,716
Expenditures:				
Personnel Services	\$731,833	\$779,787	\$779,787	\$569,235
Operating Expenses	3,270,180	1,621,007	3,849,014	1,086,035
Capital Outlay	737,483	0	22,330,046	0
Total Expenditures	\$4,739,496	\$2,400,794	\$26,958,847	\$1,655,270
Total Disbursements	\$4,739,496	\$2,400,794	\$26,958,847	\$1,655,270
Ending Balance¹	\$36,446	\$36,446	\$36,446	\$36,446
Replacement Reserve	\$36,446	\$36,446	\$36,446	\$36,446
Unreserved Ending Balance	\$0	\$0	\$0	\$0

¹ An adequate fund balance is maintained to address potential operating and maintenance requirements. These costs change annually, therefore, funding is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.