

# 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 2022, Fund 81100, FCRP, will support a total of 1,492 units consisting of multi-family rental properties, senior independent units, and specialized units and beds in FCRHA-owned group homes that are 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 October of 2020, the County Executive approved the reassignment of merit positions to effectuate the transition from County management of residential properties to private third-party management. This action necessitated the ongoing reassignment of merit positions and the transition will be effective July 1, 2021.

In FY 2022, the remainder of FCRP units, with the exception of Coan Pond, will be transferred 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 2022, 19 units will be internally managed of the 1,492 total FCRP units.

The following charts summarize the total number of units in the Rental Program and Group Homes in FY 2022 and the projected operating costs associated with the units:

Project Name <sup>1</sup>	Units	FY 2022 Budget	District
Coan Pond (Working Singles Housing Program)	19	\$40,541	Providence
<b>Subtotal</b>	<b>19</b>	<b>\$40,541</b>	

<sup>1</sup> In FY 2022, all remaining FCRP units, with the exception of Coan Pond, transferred to third-party management.

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Third-Party Managed Projects <sup>1</sup>	Units	FY 2022 Budget	District
Bryson at Woodland Park	4	\$0	Hunter Mill
Cedar Lakes	3	0	Sully
Charleston Square	1	0	Springfield
Chatham Town	10	0	Braddock
Colchester Towne	24	0	Lee
Crest of Alexandria	8	0	Lee
Crescent Apartments	180	0	Hunter Mill
Discovery Square	5	0	Sully
East Market	4	0	Springfield
Fair Oaks Landing	3	0	Springfield
Fairfax Ridge Condo	1	0	Springfield
Faircrest	6	0	Sully
Fox Mill	2	0	Hunter Mill
Glenwood Mews	9	0	Lee
Halstead	4	0	Providence
Holly Acres	2	0	Lee
Hopkins Glen	91	0	Providence
Island Creek	8	0	Lee
Laurel Hill	6	0	Mt. Vernon
Legato Corner Condominiums	13	0	Springfield
Little River Glen (Debt Service)	0	0	Braddock
Little River Square	45	0	Springfield
Lorton Valley	2	0	Mt. Vernon
Madison Ridge	10	0	Sully
McLean Hills	25	0	Providence
Metrowest	6	0	Providence
Mt. Vernon Gardens	34	0	Lee
Northampton	4	0	Lee
ParcReston	23	0	Hunter Mill
Penderbrook	48	0	Providence
Royal Lytham Drive – ADU	1	0	Sully
Saintsbury Plaza <sup>2</sup>	6	0	Providence
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
Westcott Ridge	10	0	Springfield
Willow Oaks	7	0	Sully
Woodley Hills Estates	115	0	Mt. Vernon
<b>Subtotal</b>	<b>1,411</b>	<b>\$0</b>	

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Group Homes	Units	FY 2022 Budget	District
Bath Street Group Home <sup>3</sup>	8	\$1,474	Springfield
Dequincey Group Homes	5	1,517	Braddock
First Stop Group Home	8	44,160	Springfield
Leland Group Home	8	0	Sully
Minerva Fisher Group Home	12	30,961	Providence
Mount Vernon Group Home	8	0	Mt. Vernon
Patrick Street Group Home	8	0	Providence
Rolling Road Group Home	5	0	Mt. Vernon
<b>Subtotal</b>	<b>62</b>	<b>\$78,112</b>	
<b>Total Units/Fund Expenditures<sup>4</sup></b>	<b>1,492</b>	<b>\$794,852</b>	
<b>Less Debt Service</b>		<b>(\$533,981)</b>	
<b>Net Fund Expenditures</b>		<b>\$260,871</b>	

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> Total expenditures for FY 2022 include \$142,218 in the FCRP Operating Fund for general program oversight and \$533,981 to support the debt service for Little River Glen.

## Budget and Staff Resources

Category	FY 2020 Actual	FY 2021 Adopted	FY 2021 Revised	FY 2022 Advertised	FY 2022 Adopted
<b>FUNDING</b>					
<b>Expenditures:</b>					
Personnel Services	\$1,819,613	\$2,013,581	\$2,026,499	\$0	\$0
Operating Expenses	1,767,423	1,829,522	1,930,122	794,852	794,852
Capital Equipment	140,206	0	447,988	0	0
<b>Total Expenditures</b>	<b>\$3,727,242</b>	<b>\$3,843,103</b>	<b>\$4,404,609</b>	<b>\$794,852</b>	<b>\$794,852</b>
<b>AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)</b>					
Regular	26 / 26	26 / 26	26 / 26	26 / 26	0 / 0

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## FY 2022 Funding Adjustments

The following funding adjustments from the FY 2021 Adopted Budget Plan are necessary to support the FY 2022 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the Budget on May 4, 2021.

### Third-Party Management (\$3,048,251)

A decrease of \$3,048,251 and 26/26.0 FTE positions comprises \$2,013,581 in Personnel Services and \$1,034,670 in Operating Expenses as a result of HCD shifting its property management functions to third-party management in FY 2022.

## Changes to FY 2021 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2021 Revised Budget Plan since passage of the FY 2021 Adopted Budget Plan. Included are all adjustments made as part of the FY 2020 Carryover Review, FY 2021 Mid-Year Review, FY 2021 Third Quarter Review, and all other approved changes through April 30, 2021.

### Carryover Adjustments \$548,588

As part of the FY 2020 Carryover Review, the Board of Supervisors approved funding of \$548,588 due to unexpended project balances of \$447,988 and encumbered carryover of \$100,600.

### Third Quarter Adjustments \$12,918

As part of the FY 2021 Third Quarter Review, the Board of Supervisors approved funding of \$12,918 in Personnel Services for a one-time compensation adjustment of \$1,000 for merit employees and \$500 for non-merit employees paid in May 2021.

## Position Detail

The FY 2022 Adopted Budget Plan includes the following positions:

FAIRFAX COUNTY RENTAL PROGRAM - 0 Positions			
Rental Housing Property Management			
0	Housing/Community Developers IV [-2]	0	Electricians II [-1]
0	Housing/Community Developers II [-1]	0	Plumbers II [-1]
0	Housing Services Specialists IV [-1]	0	Engineering Technicians II [-1]
0	Housing Services Specialists III [-1]	0	Material Management Specialists III [-1]
0	Housing Services Specialists II [-4]	0	General Building Maintenance Workers II [-3]
0	Housing Services Specialists I [-1]	0	General Building Maintenance Workers I [-2]
0	Human Services Assistants [-1]	0	Administrative Assistants IV [-2]
0	Assistant Facilities Support Supervisors [-1]	0	Administrative Assistants II [-2]
0	Building Maintenance Section Chiefs [-1]		
-	Denotes Abolished Position(s) due to shift to Third-Party Management		

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### FUND STATEMENT

Category	FY 2020 Actual	FY 2021 Adopted Budget Plan	FY 2021 Revised Budget Plan	FY 2022 Advertised Budget Plan	FY 2022 Adopted Budget Plan
<b>Beginning Balance</b>	<b>\$6,474,911</b>	<b>\$5,119,764</b>	<b>\$5,985,076</b>	<b>\$4,593,190</b>	<b>\$4,580,272</b>
<b>Revenue:</b>					
Dwelling Rents	\$2,425,610	\$2,312,845	\$2,312,845	\$287,116	\$287,116
Investment Income	154,853	125,957	125,957	150,676	150,676
Other Income	148,124	52,183	52,183	41,714	41,714
Debt Service Contribution (Little River Glen)	508,820	508,820	508,820	508,820	508,820
<b>Total Revenue</b>	<b>\$3,237,407</b>	<b>\$2,999,805</b>	<b>\$2,999,805</b>	<b>\$988,326</b>	<b>\$988,326</b>
<b>Total Available</b>	<b>\$9,712,318</b>	<b>\$8,119,569</b>	<b>\$8,984,881</b>	<b>\$5,581,516</b>	<b>\$5,568,598</b>
<b>Expenditures:</b>					
Personnel Services	\$1,819,613	\$2,013,581	\$2,026,499	\$0	\$0
Operating Expenses	1,767,423	1,829,522	1,930,122	794,852	794,852
Capital Equipment	140,206	0	447,988	0	0
<b>Total Expenditures</b>	<b>\$3,727,242</b>	<b>\$3,843,103</b>	<b>\$4,404,609</b>	<b>\$794,852</b>	<b>\$794,852</b>
<b>Total Disbursements</b>	<b>\$3,727,242</b>	<b>\$3,843,103</b>	<b>\$4,404,609</b>	<b>\$794,852</b>	<b>\$794,852</b>
<b>Ending Balance<sup>1</sup></b>	<b>\$5,985,076</b>	<b>\$4,276,466</b>	<b>\$4,580,272</b>	<b>\$4,786,664</b>	<b>\$4,773,746</b>
Operating Reserve	\$4,287,785	\$2,603,479	\$2,859,853	\$2,954,964	\$2,942,046
Little River Glen Debt Reserve	1,672,987	1,672,987	1,672,987	1,781,397	1,781,397
FCRP Capital and Maintenance Reserve <sup>2</sup>	24,304	0	47,432	50,303	50,303
<b>Unreserved Ending Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<sup>1</sup> Ending balances fluctuate due to adjustments in revenues and expenditures, as well as the carryover of balances each year.

<sup>2</sup> Following the recommendation of the Auditor to the Fairfax County Board of Supervisors, beginning in FY 2020, Fairfax County Rental Program will designate one percent of rental revenue to a capital and maintenance reserve.