

Fund 50810: HOME Investment Partnerships Program

Mission To provide affordable housing through acquisition, rehabilitation, new construction, and tenant-based rental assistance.

Focus The HOME Investment Partnerships Program (HOME) was established as part of the Cranston-Gonzalez National Affordable Housing Act of 1990. HOME funds are allocated on an annual basis to eligible participating jurisdictions based on a formula. The HOME Program requires a 25 percent local match from the participating jurisdiction which can come from any Housing and Community Development project, regardless of funding source. In FY 2025, the County will have adequate matching funds from HOME-eligible projects to satisfy the requirement, and no additional local funds need to be allocated to meet this requirement.

Details for specific projects in Program Year 33 (FY 2025) were approved by the Board of Supervisors (BOS) and submitted to the U.S. Department of Housing and Urban Development (HUD) as part of the One-Year Action Plan for FY 2025.

FY 2024 Initiatives

In FY 2025, estimated funding of \$2,385,371 a decrease of \$85,860 or 3.5 percent from the FY 2024 Adopted Budget Plan amount of \$2,471,231, is included. Adjustments to the estimate will be made as part of the *FY 2024 Carryover Review* after the final HUD award is received. FY 2025 funding will support Community Housing Development Organizations (CHDOs) and various other new and ongoing projects, including:

- A minimum 15 percent set-aside of \$357,806 mandated under HOME regulations from the County's total HOME allocation for eligible CHDOs, and a 10 percent set-aside of \$238,537 for administrative expenses (which includes the Fair Housing program), as permitted under HOME regulations, will support CHDOs and Fairfax County Redevelopment and Housing Authority (FCRHA) organizational capacity.
- Upon approval of the final HUD award, it is anticipated that funding of \$781,489 will be available for the Tenant-Based Rental Assistance program (TBRA) and \$1,007,539 will be available for other projects outlined in the One-Year Action Plan for FY 2025.

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Budget and Staff Resources

| Category | FY 2023 Actual | FY 2024 Adopted | FY 2024 Revised | FY 2025 Advertised | FY 2025 Adopted |
|--|--------------------|--------------------|---------------------|--------------------|--------------------|
| FUNDING | | | | | |
| Expenditures: | | | | | |
| Housing Capital | \$0 | \$1,067,651 | \$0 | \$1,007,539 | \$1,007,539 |
| Homeless/Special Needs | 781,489 | 785,772 | 1,455,321 | 781,489 | 781,489 |
| Community Housing Development Organizations | 1,518,854 | 370,685 | 3,599,622 | 357,806 | 357,806 |
| Administration | 187,097 | 247,123 | 422,559 | 238,537 | 238,537 |
| HOME-ARP ¹ | 43,741 | 0 | 7,837,142 | 0 | 0 |
| Total Expenditures | \$2,531,181 | \$2,471,231 | \$13,314,644 | \$2,385,371 | \$2,385,371 |
| AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE) | | | | | |
| Grant | 2 / 2 | 2 / 2 | 2 / 2 | 2 / 2 | 2 / 2 |

¹The HOME-ARP funding was appropriated under Section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2) ("ARP") for the HOME Investment Partnerships Program to provide homelessness assistance and supportive services. The budget period for HOME-ARP funding ends on September 30, 2030.

FY 2025 Funding Adjustments

The following funding adjustments from the FY 2024 Adopted Budget Plan are necessary to support the FY 2025 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 7, 2024.

Employee Compensation \$0

It should be noted that no funding is included for a 2.00 percent market rate adjustment (MRA) for employees, or performance-based and longevity increases for non-uniformed merit employees in FY 2025, as the fund will absorb the impact within the existing award authorizations.

U.S. Department of Housing and Urban Development Award (\$85,860)

A decrease of \$85,860 is based on the actual FY 2024 HUD award and was used to project expenditures in FY 2025.

Changes to FY 2024 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2024 Revised Budget Plan since passage of the FY 2024 Adopted Budget Plan. Included are all adjustments made as part of the FY 2023 Carryover Review, FY 2024 Third Quarter Review, and all other approved changes through April 30, 2024.

Carryover Adjustments \$10,843,413

As part of the FY 2023 Carryover Review, the Board of Supervisors approved funding of \$10,843,413 due to the residual carryforward of unexpended grant balances of \$10,850,771 and an increase of \$78,502 due to program income received in FY 2023. These increases are partially offset by a decrease of \$85,860 due to the actual FY 2024 HUD award.

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Position Detail

The FY 2025 Adopted Budget Plan includes the following positions:

| HOME INVESTMENT PARTNERSHIPS PROGRAM – 2 Positions | | | |
|--|--------------------------------|---|--------------------------------|
| Grants Management | | | |
| 1 | Housing/Community Developer IV | 1 | Housing Services Specialist II |

A Fund Statement and a Summary of Grant Funding are provided on the following pages.

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FUND STATEMENT

| Category | FY 2023 Actual | FY 2024 Adopted Budget Plan | FY 2024 Revised Budget Plan | FY 2025 Advertised Budget Plan | FY 2025 Adopted Budget Plan |
|--------------------------------------|--------------------|-----------------------------------|-----------------------------------|--------------------------------------|-----------------------------------|
| Beginning Balance¹ | \$154,953 | \$309,328 | \$78,034 | \$308,722 | \$308,722 |
| Revenue: | | | | | |
| HOME Grant Funds | \$2,375,760 | \$2,471,231 | \$13,545,332 | \$2,385,371 | \$2,385,371 |
| HOME Program Income | 78,502 | 0 | 0 | 0 | 0 |
| Total Revenue | \$2,454,262 | \$2,471,231 | \$13,545,332 | \$2,385,371 | \$2,385,371 |
| Total Available | \$2,609,215 | \$2,780,559 | \$13,623,366 | \$2,694,093 | \$2,694,093 |
| Expenditures: | | | | | |
| HOME Projects | \$2,531,181 | \$2,471,231 | \$13,314,644 | \$2,385,371 | \$2,385,371 |
| Total Expenditures | \$2,531,181 | \$2,471,231 | \$13,314,644 | \$2,385,371 | \$2,385,371 |
| Total Disbursements | \$2,531,181 | \$2,471,231 | \$13,314,644 | \$2,385,371 | \$2,385,371 |
| Ending Balance | \$78,034 | \$309,328 | \$308,722 | \$308,722 | \$308,722 |

¹ As the result of a reconciliation of fund balances to the County's financial statements, the FY 2023 beginning balance decreased by \$606.

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SUMMARY OF GRANT FUNDING

| Grant # | Description | FY 2023 Actual Expenditures | FY 2024 Revised Budget | FY 2025 Advertised Budget Plan | FY 2025 Adopted Budget Plan |
|--------------|---|-----------------------------------|------------------------------|--------------------------------------|-----------------------------------|
| 1380025 | HOME Partnership Grant-Fair Housing Program | \$25,047.76 | \$25,184.24 | \$25,116 | \$25,116 |
| 1380049 | HOME Partnership Grant-CHDO Undesignated | 491,725.00 | 563,087.00 | 357,806 | 357,806 |
| 1380050 | HOME Partnership Grant-Tenant Based Rental Assistance | 781,489.00 | 1,455,320.82 | 781,489 | 781,489 |
| 1380051 | HOME Partnership Grant-Development Cost | 0.00 | 0.00 | 1,007,539 | 1,007,539 |
| 1380052 | HOME Partnership Grant-Administration | 162,048.81 | 397,374.47 | 213,421 | 213,421 |
| 1380092 | HOME Partnership Grant-Affordable Housing RFP | 1,027,129.00 | 3,036,535.47 | 0 | 0 |
| 1CV3803 | HOME-American Rescue Plan | 43,741.30 | 7,837,142.49 | 0 | 0 |
| Total | | \$2,531,180.87 | \$13,314,644.49 | \$2,385,371 | \$2,385,371 |