

Fund 81400: FCRHA Asset Management

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. In addition, to provide affordable rental housing through partnerships between the FCRHA and private investors.

Focus Fund 81400, FCRHA Asset Management, is designed for oversight and to manage the property programs that remain with the FCRHA. Beginning in FY 2023, all properties serving residents were transitioned to third-party management. In FY 2022, Funds 40330, Elderly Housing Programs; 81100, Fairfax County Rental Program; 81200, Housing Partnerships; and 81300, Rental Assistance Demonstration – Project-Based Voucher were closed and consolidated into Fund 81400, FCRHA Asset Management. These property assets exist to serve the residents of Fairfax County with affordable rental housing.

Fairfax County Rental Program

The 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. FCRP includes projects developed by the FCRHA and other privately developed or rehabilitated housing units acquired by the FCRHA or Fairfax County. In FY 2025, this program will support a total of 1,526 units consisting of multi-family rental properties, senior independent units, and specialized units and beds in FCRHA-owned group homes that are primarily third-party managed.

The operation of this program is primarily supported by tenant rents. In previous fiscal years, debt service contributions from Fund 40330, Elderly Housing Programs, provided support for the debt service payment for the Little River Glen bond. In FY 2025, these payments are covered by the third-party management company overseeing the property.

In FY 2025, 1,464 FCRP units are third-party managed. In addition, there are 54 units of group homes that belong to FCRP but are managed by the Fairfax-Falls Church Community Services Board (CSB) and eight units of Sojourn group homes managed by HCD.

The following charts summarize the total number of units in the FCRP and group homes in FY 2025 and the projected operating costs associated with the units. A total of \$245,000 is included for FCRP and group homes in FY 2025.

Third-Party Managed Projects	Units	FY 2025 Budget	District
Atrium at Metrowest	10	\$0	Providence
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	Franconia
Coan Pond	19	0	Springfield
Commonwealth at Westfields	7	0	Sully
Crest of Alexandria	13	0	Franconia
Crescent Apartments	180	0	Hunter Mill
Discovery Square	5	0	Sully
East Market	4	0	Springfield

Fund 81400: FCRHA Asset Management

Third-Party Managed Projects	Units	FY 2025 Budget	District
Enclave	1	0	Springfield
Fair Oaks Landing	3	0	Springfield
Fairfax Ridge Condo	1	0	Springfield
Faircrest	6	0	Sully
Foster Glen	5	0	Sully
Fox Mill	2	0	Hunter Mill
Glenwood Mews	9	0	Franconia
Halstead	4	0	Providence
Holly Acres	2	0	Franconia
Hopkins Glen	91	0	Providence
Island Creek	8	0	Franconia
Laurel Hill	6	0	Mt. Vernon
Legato Corner Condominiums	13	0	Springfield
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	Franconia
Northampton	4	0	Franconia
ParcReston	23	0	Hunter Mill
Park at Fair Oak	1	0	Springfield
Penderbrook	48	0	Providence
Pender Oaks	6	0	Sully
Saintsbury Plaza	6	0	Providence
Stockwell Manor	3	0	Dranesville
Stonegate at Faircrest	1	0	Springfield
Springfield Green	14	0	Franconia
Wedgewood Apartments	672	0	Braddock
Westbriar	1	0	Springfield
Westcott Ridge	10	0	Springfield
Willow Oaks	7	0	Sully
Woodley Hills Estates	115	0	Mt. Vernon
Subtotal	1,464	\$0	

Fund 81400: FCRHA Asset Management

Group Homes	Units	FY 2025 Budget	District
Bath Street Group Home	8	\$5,000	Springfield
Dequincey Group Home	5	5,000	Braddock
Sojourn Group Home	8	60,000	Springfield
Leland Group Home	8	5,000	Sully
Minerva Fisher Group Home	12	100,000	Providence
Mount Vernon Group Home	8	5,000	Mt. Vernon
Patrick Street Group Home	8	5,000	Providence
Rolling Road Group Home	5	10,000	Mt. Vernon
Subtotal	62	\$195,000	
Total Units/Expenditures¹	1,526	\$245,000	

¹Total FY 2025 funding includes \$50,000 in the FCRP Operating Fund for general program oversight.

Rental Assistance Demonstration – Project-Based Voucher Program

The Rental Assistance Demonstration (RAD) – Project-Based Voucher (PBV) program is a local rental housing program that was initiated by the U.S. Department of Housing and Urban Development (HUD). Under RAD, housing authorities convert traditional public housing units into a new subsidy platform using Section 8 PBVs issued through the Housing Choice Voucher (HCV) program. For more information about the HCV program, see Fund 81510, Housing Choice Voucher Program.

Under the PBV subsidy model, the tenant is responsible for a portion of the monthly rent with the remainder being disbursed from the HCV program as a Housing Assistance Payment (HAP) to the property. These units are multi-family rental properties and individual units scattered throughout the County.

In FY 2025, the RAD-PBV program supports a total of 1,065 units, including 1,060 PBV units and five offline units. All RAD units are third-party managed in FY 2025.

The following table summarizes the number of units for each property managed by third-party companies. The projected FY 2025 overhead costs for the RAD-PBV program are \$44,240.

RAD-PBV Third-Party Managed Properties	Units	FY 2025 Budget	District
The Atrium	37	\$0	Franconia
Audubon ¹	46	0	Franconia
Belleview	40	0	Mt. Vernon
Barkley Square	3	0	Providence
Barros Circle ¹	44	0	Sully
Briarcliff II	20	0	Providence
Colchester Town	8	0	Franconia
Greenwood	138	0	Mason
Greenwood II	4	0	Franconia
Heritage Woods North	12	0	Braddock
Heritage Woods South	32	0	Braddock
Kingsley Park ¹	108	0	Providence
Newington Station	36	0	Mt. Vernon

Fund 81400: FCRHA Asset Management

RAD-PBV Third-Party Managed Properties	Units	FY 2025 Budget	District
Old Mill Gardens ¹	48	0	Mt. Vernon
Ragan Oaks	51	0	Springfield
Reston Town Center	30	0	Hunter Mill
Robinson Square ²	46	0	Braddock
Rosedale Manor ¹	97	0	Mason
Shadowood	16	0	Hunter Mill
Sheffield Village	8	0	Mt. Vernon
Springfield Green	5	0	Franconia
Tavener Lane ³	12	0	Franconia
The Green	50	0	Hunter Mill
The Park	24	0	Franconia
Villages at Falls Church	36	0	Mason
Waters Edge	9	0	Springfield
Westford I, II, and III	105	0	Mt. Vernon
Total Units/Expenditures	1,065	\$0	

¹ Audubon, Barros Circle, Kingsley Park, Old Mill Gardens, and Rosedale Manor include one unit each being used as office space or community rooms as allowed under HUD guidelines.

² The 46 units at Robinson Square have been demolished, new units are under construction, and therefore temporarily not under third-party management.

³ The 12 units of Tavener Lane are part of the federally assisted RAD program and are RAD-PBV units; however, operating expenses for all 12 units are accounted for in Housing Partnerships, due to their ownership structure.

Housing Partnerships

Housing Partnerships include 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. All partnership properties are third-party managed and include: Tavener Lane, Murraygate Village, Olley Glen, Castellani Meadows, The Green, Herndon Harbor House I & II, Stonegate Village, Cedar Ridge, Morris Glen, and Gum Springs Glen. Internally managed partnerships include Original Mount Vernon High School (OMVHS).

Partnership properties are supported by tenant rents which cover expenses to include salaries, maintenance, capital improvements, and other operating expenses. Partnership properties receive a County reimbursement for real estate taxes which are budgeted in Agency 38, Department of Housing and Community Development.

The following table summarizes the 1,090 units managed by third-party companies:

Third-Party Managed Properties	Units	FY 2025 Budget	District
Tavener Lane	24	\$0	Franconia
Murraygate Village	200	0	Franconia
Olley Glen	90	0	Braddock
Herndon Harbor House 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

Fund 81400: FCRHA Asset Management

Third-Party Managed Properties	Units	FY 2025 Budget	District
Cedar Ridge	198	0	Hunter Mill
Morris Glen	60	0	Franconia
Gum Springs Glen	60	0	Franconia
Total Units/Expenditures	1,090	\$0	

Elderly Housing Program

The Elderly Housing Program includes Lincolnia Senior Residences, Little River Glen, Gum Springs Glen, Morris Glen, Olley Glen, Herndon Harbor House I and II, and Braddock Glen. Together, these facilities provide 588 congregate housing units to low-income older adults as well as two Adult Day Health Care Centers (ADHCs) and three senior centers both operated by Agency 79, Department of Neighborhood and Community Services. Congregate meals are also provided at the senior centers and ADHCs and are administered by the Department of Family Services in Fund 50000, Federal-State Grants. Debt service requirements are managed by Fund 20000, Consolidated County and Schools Debt Service. The table below summarizes the units managed by third-party companies:

Property Name (Supervisor District)	Ownership	Operating Funding	Programs	# of Units ¹	Funding Provided
Little River Glen (Braddock)	FCRHA	Privately Managed	Independent Living Congregate Meals Senior Recreation	120	NA
Lincolnia Senior Residences (Mason) ²	FCRHA	Privately Managed/Fund 10001, General Fund	Independent Living Assisted Living Adult Day Health Care Congregate Meals Senior Recreation	26 52	NA
Gum Springs Glen (Mt. Vernon) ³	Gums Springs LP	Privately Managed	Independent Living Head Start	60	NA
Morris Glen (Franconia) ³	Morris Glen LP	Privately Managed	Independent Living	60	NA
Olley Glen (Braddock) ³	FCRHA Olley Glen LP	Privately Managed	Independent Living	90	NA
Herndon Harbor House I & II (Dranesville) ³	Herndon Harbor House LP Herndon Harbor House II LP	Privately Managed	Independent Living Adult Day Health Care Congregate Meals	120	NA
Braddock Glen (Braddock)	Fairfax County	Privately Managed	Assisted Living Congregate Meals Senior Recreation	60	NA
Total				588	NA

¹ An additional 82 units are available at The Fallstead at Lewinsville Center. This facility is privately owned and operated.

² Lincolnia Senior Residences is accounted for in Agency 38, Department of Housing and Community Development.

³ Operating expenses for Gum Springs Glen, Morris Glen, Olley Glen, and Herndon Harbor House I & II are accounted for under Housing Partnerships due to their ownership structure.

Fund 81400: FCRHA Asset Management

Budget and Staff Resources

Category	FY 2023 Actual	FY 2024 Adopted	FY 2024 Revised	FY 2025 Advertised	FY 2025 Adopted
FUNDING					
Expenditures:					
Operating Expenses	\$120,954	\$539,798	\$7,656,114	\$374,345	\$374,345
Capital Projects	5,065,477	0	129,027,537	0	0
Total Expenditures	\$5,186,431	\$539,798	\$136,683,651	\$374,345	\$374,345

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.

Programmatic Adjustments **(\$165,453)**
 A decrease of \$165,453 in Operating Expenses is based on anticipated program requirements 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 **\$81,362,237**
 As part of the FY 2023 Carryover Review, the Board of Supervisors approved funding of \$81,362,237 due to increases of \$79,033,065 in unexpended project balances primarily related to the Original Mount Vernon High School project, \$2,341,170 in encumbered carryover, \$350,000 for elderly housing property maintenance needs, \$50,000 to support additional operating expenses at the group homes, and \$10,000 in the Rental Assistance Demonstration – Project-Based Voucher program to support ongoing operating expenses and bank fees. These increases are partially offset by a decrease of \$421,998 in the Fairfax County Rental Program based on anticipated program expenses in FY 2024.

Out-Of-Cycle Adjustments **\$53,833,347**
 An increase of \$53,833,347 is included to support ongoing design and construction costs for the Little River Glen I & IV projects.

Third Quarter Adjustments **\$948,269**
 As part of the FY 2024 Third Quarter Review, the Board of Supervisors approved funding of \$948,269 due to increases of \$908,269 for a settlement payment from the Fairfax-Falls Church Community Services Board (CSB) to remove the CSB from the lease agreement for the Sojourn House property and \$40,000 associated with interest related to the Little River Glen debt service.

Fund 81400: FCRHA Asset Management

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 Balance	\$13,753,592	\$21,685,703	\$18,183,830	\$16,652,069	\$16,652,069
Revenue:					
Elderly Housing Programs	\$85,104	\$0	\$40,000	\$85,105	\$85,105
Fairfax County Rental Program (FCRP)	340,908	295,154	1,203,423	292,154	292,154
Rental Assistance Demonstration - Project-Based Voucher (RAD-PBV)	69,603	12,300	53,778	44,240	44,240
Housing Partnerships	6,345	0	53,833,347	0	0
Original Mount Vernon High School (OMVHS) ¹	(3,579,047)	0	77,021,342	0	0
Total Revenue	(\$3,077,087)	\$307,454	\$132,151,890	\$421,499	\$421,499
Transfers In:					
General Fund (10001) ^{1,2}	\$9,500,000	\$0	\$0	\$0	\$0
Consolidated County and Schools Debt Service (20000) ³	0	0	3,000,000	0	0
Elderly Housing Programs (40330) ⁴	3,193,756	0	0	0	0
Total Transfers In	\$12,693,756	\$0	\$3,000,000	\$0	\$0
Total Available	\$23,370,261	\$21,993,157	\$153,335,720	\$17,073,568	\$17,073,568
Expenditures:					
Elderly Housing Programs	\$16,630	\$0	\$390,000	\$85,105	\$85,105
FCRP	59,390	516,998	1,550,004	245,000	245,000
RAD-PBV	24,677	22,800	53,740	44,240	44,240
Housing Partnerships	0	0	53,833,347	0	0
OMVHS	5,085,734	0	80,856,560	0	0
Total Expenditures	\$5,186,431	\$539,798	\$136,683,651	\$374,345	\$374,345
Total Disbursements	\$5,186,431	\$539,798	\$136,683,651	\$374,345	\$374,345
Ending Balance⁵	\$18,183,830	\$21,453,359	\$16,652,069	\$16,699,223	\$16,699,223
Elderly Housing Programs Reserve	\$3,262,654	\$2,658,096	\$2,912,654	\$2,912,230	\$2,912,654
FCRP Reserve	6,767,444	5,576,206	6,420,863	5,780,141	6,468,017
Housing Partnerships Reserve	886,017	6,043,828	50,799	776,159	50,799
RAD-PBV Reserve ⁶	7,267,715	7,175,229	7,267,753	7,230,693	7,267,753
Unreserved Ending Balance	\$0	\$0	\$0	\$0	\$0

Fund 81400: FCRHA Asset Management

¹ The negative revenue in FY 2023 represents an accrual associated with the OMVHS LLC, which operates on a calendar year basis. As part of the *FY 2023 Third Quarter Review*, a Transfer In of \$6,000,000 from Fund 10001, General Fund, was included to rectify the negative cash flow in the project and provide support until the bonds are sold in FY 2024.

² A Transfer In from Fund 10001, General Fund, of \$3,500,000 was included in FY 2023 to support an expanded childcare center at the site of the Original Mount Vernon High School redevelopment project.

³ A Transfer In of \$3,000,000 from Fund 20000, Consolidated County and Schools Debt Service, was included to provide funding for design and related development costs incurred prior to the bond sale for the OMVHS project through the end of the calendar year. The bond sale for this project is anticipated to occur in mid FY 2024 to cover all construction and any remaining design costs.

⁴ Fund 40330, Elderly Housing Programs, was consolidated into Funds 10001, General Fund, and 81400, FCRHA Asset Management, beginning in FY 2023. All assets, liabilities, and equity associated with Fund 40330 were transferred to Fund 81400. A Transfer In from Fund 40330 was included in FY 2023 to move the remaining fund balance to Fund 81400.

⁵ The ending balance in Fund 81400 is restricted by program.

⁶ Included in the RAD-PBV Reserve is the Restricted HUD Capital Needs Reserve which was required by HUD to support critical capital needs and improvements identified in the 20-year Capital Needs Assessment as part of the conversion to RAD. This reserve is held in a separate bank account and includes additional funding of \$1,035,096 not shown on this fund statement.

Fund 81400: FCRHA Asset Management

FY 2025 SUMMARY OF CAPITAL PROJECTS

Project	Total Project Estimate	FY 2023 Actual Expenditures	FY 2024 Revised Budget	FY 2025 Advertised Budget Plan	FY 2025 Adopted Budget Plan
Asset Management - Minerva Fisher Capital (HF-000177)	\$25,989	\$0.00	\$25,989.00	\$0	\$0
Asset Management - OMOVHS LLC Project (HF-000178)	86,798,100	5,085,734.36	80,856,559.84	0	0
Asset Management - Penderbrook Capital (HF-000176)	421,998	0.00	421,998.00	0	0
LRG I Rehabilitation (HF-000184)	24,700,595	0.00	24,700,595.00	0	0
LRG IV Development (HF-000185)	29,132,752	0.00	29,132,752.00	0	0
Total	\$141,079,434	\$5,085,734.36	\$135,137,893.84	\$0	\$0