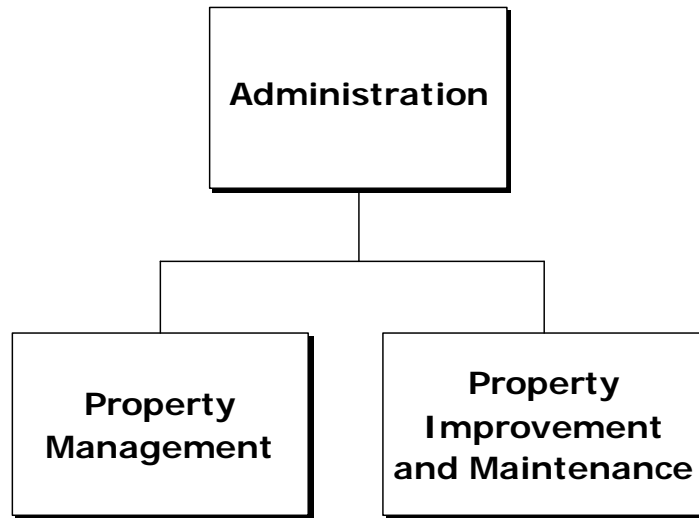


## Fund 81200 Housing Partnerships

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### **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, which promotes private investment in affordable housing through partnerships with nonprofit entities such as the FCRHA. The Housing Partnerships fund supports a portion of the operating expenses for local rental housing programs that are owned by limited partnerships of which the FCRHA is the managing general partner. In FY 2018, the FCRHA will directly manage five partnership properties: Castellani Meadows, The Green, Tavenner Lane, Murraygate Village and Olley Glen. Some operating costs of these five 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. 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.

Six other partnership properties receive a County reimbursement for real estate taxes, but are managed by a private management company and are not reported in the County's financial system. These other partnership properties include: Herndon Harbor House I & II, Stonegate Village, Cedar Ridge, Morris Glen, and Gum Springs Glen.

## Fund 81200 Housing Partnerships

The following charts summarize the total number of units of the properties managed by the FCRHA, as well as those third-party managed properties of the Partnership Program in FY 2018 and the projected operating costs associated with the units:

<b>FCRHA Managed Properties</b>	<b><u>Units</u></b>	<b><u>FY 2018 Cost</u></b>	<b><u>District(s)</u></b>
Castellani Meadows	24	\$90,709	Sully
The Green <sup>1</sup>	74	524,869	Providence, Hunter Mill, and Sully
Tavenner Lane <sup>2</sup>	24	122,220	Lee
Murraygate Village	200	723,646	Lee
Olley Glen	90	472,128	Braddock
<b>Total Partnership Program</b>	<b>412</b>	<b>\$1,933,572</b>	

<sup>1</sup> Of the 74 units counted as part of The Green, 50 units are part of the federally-assisted Public Housing program and are reflected in Fund 81520, Public Housing Projects Under Management. However, operating expenses for all 74 units are included in Fund 81200 since they are all owned by the FCRHA.

<sup>2</sup> Of the 24 units counted as part of Tavenner Lane, 12 units are part of the federally-assisted Public Housing program and are reflected in Fund 81520, Public Housing Projects Under Management. However, operating expenses for all 24 units are included in Fund 81200 since they are all owned by a limited partnership.

<b>Third-Party Managed Properties<sup>3</sup></b>	<b><u>Units</u></b>	<b><u>FY 2018 Cost</u></b>	<b><u>District</u></b>
Herndon Harbor I & II	120	\$0	Dranesville
Stonegate Village	240	0	Hunter Mill
Cedar Ridge	198	0	Hunter Mill
Morris Glen	60	0	Lee
Gum Springs Glen	60	0	Mt. Vernon
<b>Total Third-Party Managed</b>	<b>678</b>	<b>\$0</b>	

<sup>3</sup> 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.

# Fund 81200 Housing Partnerships

## Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
<b>FUNDING</b>					
Expenditures:					
Personnel Services	\$678,589	\$869,590	\$857,590	\$691,907	\$691,907
Operating Expenses	792,230	875,113	1,256,206	1,241,665	1,241,665
Capital Equipment	0	0	0	0	0
<b>Total Expenditures</b>	<b>\$1,470,819</b>	<b>\$1,744,703</b>	<b>\$2,113,796</b>	<b>\$1,933,572</b>	<b>\$1,933,572</b>

<b>AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)</b>					
Regular	8 / 8	8 / 8	7 / 7	7 / 7	7 / 7

### RENTAL HOUSING PROPERTY

<u>MANAGEMENT</u>					
1	HCD Division Director	2	Housing Services Specialists II	1	HVAC II
		1	Housing Services Specialist I	1	General Building Maintenance Worker II
				1	Plumber I

**TOTAL POSITIONS**  
7 Positions / 7.0 FTE

Note: As a result of the FCRHA establishing Fund 81300, Fairfax County Rental Program (FCRP)-Rental Assistance Demonstration (RAD), positions are being transferred to Fund 81300, FCRP-RAD to support the RAD Program. 4/4.0 FTE were transferred to Fund 81300 FCRP-RAD, with 3/3.0 FTE from Fund 81520, Public Housing Projects Under Management and 1/1.0 FTE from Fund 81200, Housing Partnerships.

## FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 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 2, 2017.

- ◆ **Employee Compensation** **\$11,520**  
An increase of \$11,520 in Personnel Services is included for performance-based and longevity increases for non-uniformed merit employees effective July 2017.
- ◆ **Other Post-Employment Benefits** **(\$632)**  
A decrease of \$632 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 Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

## Fund 81200 Housing Partnerships

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- ◆ **Project-Based Budgeting Adjustments** **\$177,981**

A net increase of \$177,981 comprises an increase of \$366,552 in Operating Expenses due to project-based contractual services and repair and maintenance requirements, partially offset by a decrease of \$189,203 in Personnel Services due to salary and fringe benefit adjustments associated with project-based budgeting based on U.S. Department of Housing and Urban Development (HUD) policy guidelines and County accounting systems. The agency is continuing to properly align positions with duties and responsibilities and is aligning costs to correlate with these adjustments.

### **Changes to FY 2017 Adopted Budget Plan**

*The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.*

- ◆ **Carryover Adjustments** **\$519,093**

Funding of \$203,898 was included as encumbered carryover as part of the *FY 2016 Carryover Review*, consisting primarily of building maintenance and repair projects and ongoing contractual obligations, as well as \$315,195 for resident services and planned major repairs and maintenance projects at various Partnership properties.
- ◆ **Third Quarter Adjustments** **(\$150,000)**

As part of the *FY 2017 Third Quarter Review*, revenues and expenditures are to decrease \$150,000 due to scheduled major property maintenance at Olley Glen not occurring. In addition, to better align budget to actual expenditures, \$12,000 was reallocated from Personnel Services to Operating Expenses.

# Fund 81200 Housing Partnerships

## FUND STATEMENT

### Fund 81200, Housing Partnerships

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
<b>Beginning Balance</b>	\$54,920	\$54,920	\$36,446	\$54,920	\$36,446
Revenue:					
FCRHA Reimbursements	\$1,452,345	\$1,744,703	\$2,113,796	\$1,933,572	\$1,933,572
<b>Total Revenue</b>	\$1,452,345	\$1,744,703	\$2,113,796	\$1,933,572	\$1,933,572
<b>Total Available</b>	\$1,507,265	\$1,799,623	\$2,150,242	\$1,988,492	\$1,970,018
Expenditures:					
Personnel Services	\$678,589	\$869,590	\$857,590	\$691,907	\$691,907
Operating Expenses <sup>1</sup>	792,230	875,113	1,256,206	1,241,665	1,241,665
<b>Total Expenditures</b>	\$1,470,819	\$1,744,703	\$2,113,796	\$1,933,572	\$1,933,572
<b>Total Disbursements</b>	\$1,470,819	\$1,744,703	\$2,113,796	\$1,933,572	\$1,933,572
<b>Ending Balance<sup>2</sup></b>	\$36,446	\$54,920	\$36,446	\$54,920	\$36,446
Replacement Reserve	\$36,446	\$54,920	\$36,446	\$54,920	\$36,446
<b>Unreserved Ending Balance</b>	\$0	\$0	\$0	\$0	\$0

<sup>1</sup> In order to account for revenues and expenditures in the proper fiscal year, an audit adjustment has been reflected as an increase of \$18,473.70 in FY 2016 expenditures to record an expenditure accrual adjustment. This audit adjustment was included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustment were included in the FY 2017 Third Quarter Package.

<sup>2</sup> The Housing Partnerships fund maintains fund balances at adequate levels relative to projected 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.