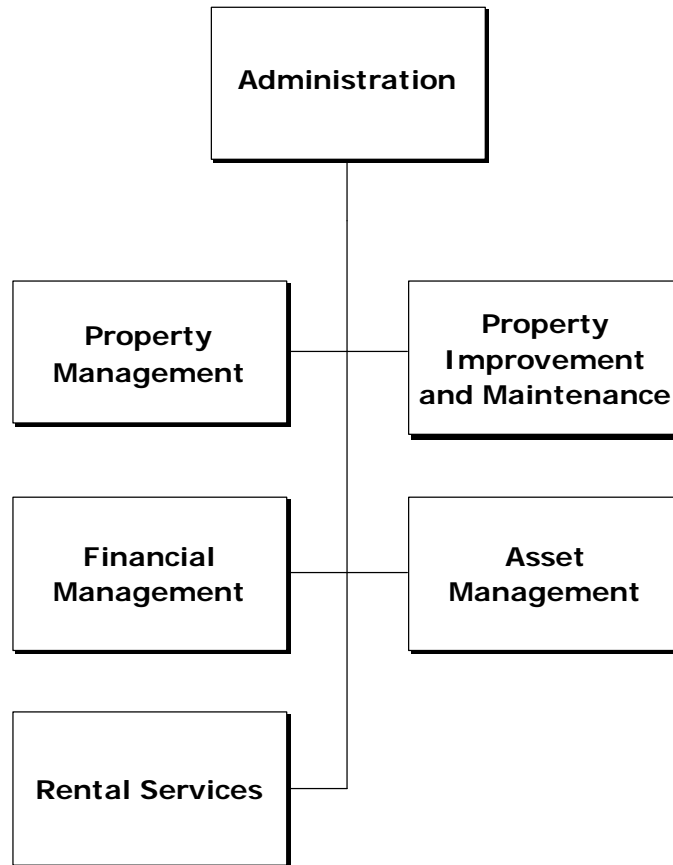


Fund 81300

RAD-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 81300, Rental Assistance Demonstration (RAD)-Fairfax County Rental Program (FCRP) is a local rental-housing program that evolved from the Department of Housing and Urban Development's (HUD) RAD initiative, which allows housing authorities to convert traditional Public Housing units to a Housing Choice Voucher (HCV) Project-Based Voucher subsidy model. In FY 2017, Phase I of the project included the conversion of 299 units from Public Housing subsidized units to Fairfax County Redevelopment and Housing Authority (FCRHA) owned units that have been designated as Project-Based Vouchers where the voucher and subsidy funds are attached to the unit. This means the Housing Assistance Payment (HAP) subsidy is attached to the unit and not the tenant. The tenant will be responsible for a portion of the monthly unit rent with the remainder being disbursed from the HCV program as a HAP to property. If a tenant chooses to move from one of these units, they would be issued a tenant-based voucher, if the voucher is available and the tenant still qualifies under the guidelines of the HCV program. The FCRHA is currently working with HUD to convert its remaining Public Housing stock or 766 units under the RAD program. The final settlement date for the remaining properties will be based on HUD's approval of the agency's conversion and financing plans.

Fund 81300

RAD-Fairfax County Rental Program

Converting Public Housing units under the RAD program has a number of advantages, including providing more mobility for residents that is currently not available in the Public Housing program. For the FCRHA, a major advantage of the RAD program is that subsidies can be used to leverage private equity to secure resources needed to address critical capital improvements that could not be supported with Public Housing resources.

The FCRP portion of this program is designed to provide affordable rental housing in the County for low- and moderate-income families. In FY 2018, Fund 81300 will support a total of 299 units consisting of multi-family rental properties and scattered units throughout the County.

The operation of this program is primarily supported by tenant rents, HAP subsidy from the HCV program and the County's General Fund is also charged directly for payments in support of condominium fees for a portion of the RAD properties.

The following charts summarize the total number of units in the RAD-FCRP fund and the projected operating costs associated with the units for FY 2018:

<u>Project Name</u>	<u>Units</u>	<u>2018 Budget</u>	<u>District</u>
Audubon	46	\$318,798	Lee
Bellevue	40	407,440	Mt. Vernon
Barkley Square	3	21,827	Providence
Briarcliff II	20	198,336	Providence
Colchester Town	8	49,250	Lee
Greenwood II	4	29,203	Lee
Heritage Woods I	19	195,939	Braddock
Heritage Woods North	12	73,829	Braddock
Heritage Woods South	13	105,104	Braddock
Newington Station	36	279,009	Springfield
The Park	24	209,241	Lee
Shadowood	16	75,933	Hunter Mill
Sheffield Village	8	91,107	Mt. Vernon
Springfield Green	5	30,869	Lee
Villages at Falls Church	36	349,800	Mason
Waters Edge	9	<u>90,341</u>	Springfield
	299	\$2,526,026	

Fund 81300

RAD-Fairfax County Rental Program

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	\$0	\$0	\$127,885	\$776,575	\$776,575
Operating Expenses	0	0	336,527	1,749,451	1,749,451
Capital Equipment	0	0	0	0	0
Total Expenditures	\$0	\$0	\$464,412	\$2,526,026	\$2,526,026
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	0 / 0	0 / 0	4 / 4	4 / 4	4 / 4
RENTAL HOUSING PROPERTY MANAGEMENT					
2 Housing Services Specialists II		2	General Building Maintenance Workers II		
TOTAL POSITIONS					
4 Positions / 4.0 FTE					

Note: As a result of the FCRHA establishing Fund 81300, FCRP-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.

- ◆ **Full Year Funding for Phase I Conversion of Public Housing units to RAD** **\$2,526,026**
An increase of \$2,526,026 comprises \$776,575 in Personnel Services and \$1,749,451 in Operating Expenses to support full year funding for the Phase I conversion of Public Housing units to RAD.

Fund 81300

RAD-Fairfax County Rental Program

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** **\$1,393,237**
As part of the *FY 2016 Carryover Review*, an amount of \$1,393,237 was approved to establish Fund 81300, RAD-FCRP, to account for the multi-year process of converting Public Housing units to the new project-based subsidy platform RAD. This funding supports partial year funding for the conversion of the Phase I units in FY 2017.

- ◆ **Out-of-Cycle Adjustments** **(\$928,825)**
Subsequent to the *FY 2017 Third Quarter Review*, an amount of \$928,825 was reallocated back to Fund 81520, Public Housing Under Management, due to the delay in closing for Phase I of the conversion to RAD to May 1st, 2017.

Fund 81300 RAD-Fairfax County Rental Program

FUND STATEMENT

Fund 81300, RAD-Fairfax County Rental Programs

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance¹	\$0	\$0	\$0	\$0	\$0
Revenue: ²					
Rental Income	\$0	\$0	\$223,657	\$2,834,449	\$2,834,449
Annual Contributions	0	0	178,508	0	0
Investment Income	0	0	1,676	1,755	1,755
Other Income	0	0	60,571	47,303	47,303
Total Revenue	\$0	\$0	\$464,412	\$2,883,507	\$2,883,507
Total Available	\$0	\$0	\$464,412	\$2,883,507	\$2,883,507
Expenditures:					
Personnel Services	\$0	\$0	\$127,885	\$776,575	\$776,575
Operating Expenses	0	0	336,527	1,749,451	1,749,451
Total Expenditures	\$0	\$0	\$464,412	\$2,526,026	\$2,526,026
Total Disbursements	\$0	\$0	\$464,412	\$2,526,026	\$2,526,026
Ending Balance	\$0	\$0	\$0	\$357,481	\$357,481

¹ Beginning Balance for FY 2018 will reflect the transfer of Public Housing reserves from Fund 81520 to the RAD-FCRP fund for 299 units of Public Housing stock that will convert under HUD's Rental Assistance Demonstration (RAD) program during FY 2017.

² Revenue is based on projected rental income from tenants plus Housing Assistance Payments (HAP) on behalf of the Project Based Voucher holders residing in RAD units and Other Income includes tenant charges for tenant reimbursable maintenance repairs.