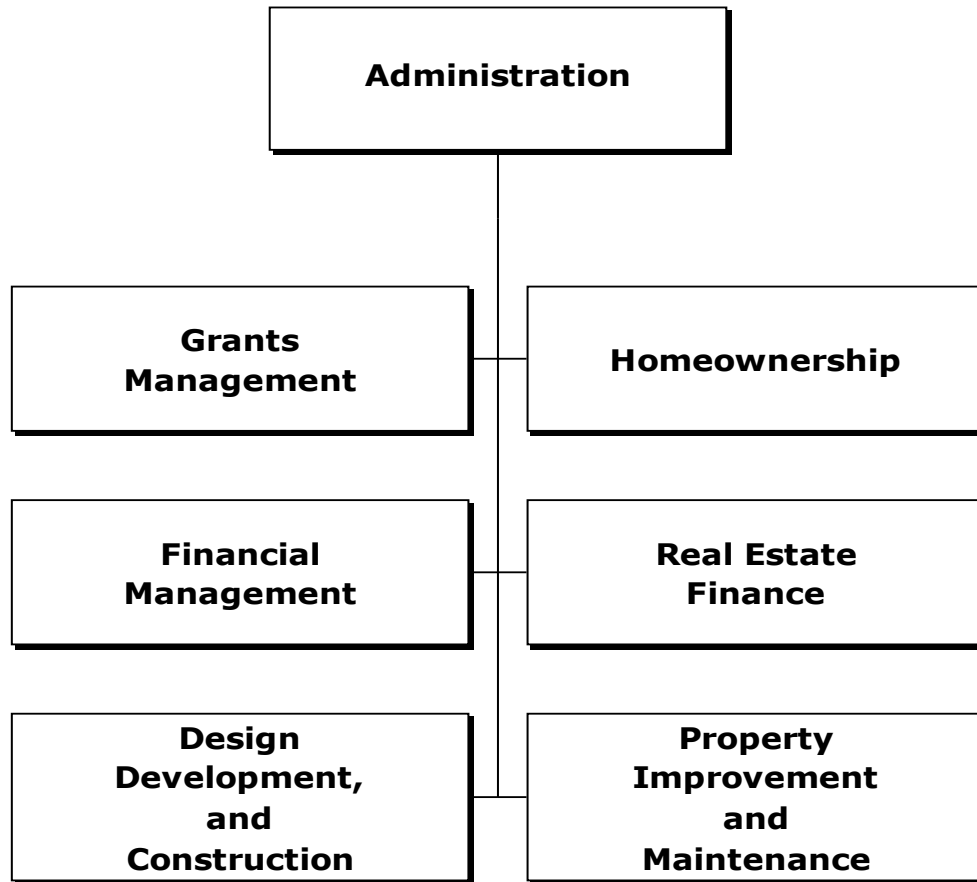


Fund 50800 Community Development Block Grant



Mission

To conserve and upgrade low- and moderate-income neighborhoods through the provision of public facilities, home improvements, public services and economic development, and to stimulate the development and preservation of low- and moderate-income housing.

Focus

Fund 50800, Community Development Block Grant (CDBG), seeks to stimulate the development and preservation of low- and moderate-income housing through the provision of loans, public facilities, and improvements directed toward conserving and upgrading low- and moderate-income neighborhoods. It also supports the provision of special outreach and assistance services to low- and moderate-income households. Fairfax County receives an annual Community Development Block Grant through the U.S. Department of Housing and Urban Development (HUD). The use of these funds is subject to eligibility criteria established by Congress for the program and must meet one of three national objectives: (1) benefit to the low- and moderate-income population of the County; (2) elimination of slums and blight; and (3) meet urgent needs. Specific uses of each annual grant are outlined in the Consolidated Plan One-Year Action Plan. The Board of Supervisors has designated the Consolidated Community Funding Advisory Committee (CCFAC) as the citizen advisory group charged with overseeing the Consolidated Plan process. The Consolidated Plan also incorporates the recommendations of the Fairfax County Redevelopment and Housing Authority (FCRHA) concerning the use of CDBG funds. The CCFAC forwards the Plan to the Board of Supervisors for a public hearing and adoption. The Plan is then forwarded to HUD for approval and final grant award.

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Historically, CDBG funds have been used for:

- development and preservation of affordable housing;
- neighborhood improvements in communities designated as Conservation or Redevelopment Areas by the Board of Supervisors;
- needed services to the low- and moderate-income population;
- financial and technical assistance to homeowners for housing rehabilitation and repair;
- payments on loans used for affordable housing development; and,
- administrative related program costs.

Details for specific projects in Program Year 44 (FY 2019) will be approved by the Board of Supervisors and submitted to HUD as part of the Consolidated Plan One-Year Action Plan for FY 2019.

A portion of the County's CDBG funding is combined with County General Funds and the Community Services Block Grant into the Consolidated Community Funding Pool (CCFP). CCFP provides funds through a competitive process to non-profit organizations for human services and affordable housing development and preservation. A Working Advisory Group (WAG) composed of members of the FCRHA and the CCFAC discusses community needs and funding priorities to formulate funding recommendations to the Board of Supervisors. For more information about the CCFP, please see Fund 10020, Consolidated Community Funding Pool, in the General Fund Group section of Volume 2.

FY 2019 Initiatives

In FY 2019, funding of \$4,974,689, an increase of \$51,459 or 1.0 percent over the FY 2018 Adopted Budget Plan amount of \$4,923,230, is included. Necessary adjustments to the estimate will be made as part of the *FY 2018 Carryover Review* after the final HUD award is received. The following identifies some of the projected funding initiatives:

- ◆ Funding of \$1,450,703 is included for affordable housing projects supported by the CCFP. Following public comment and review, the WAG will include selected projects in the recommended Consolidated Plan One-Year Action Plan for FY 2019 submitted to the Board of Supervisors for approval.
- ◆ Funding of \$1,099,481 is available for payments on Section 108 Loan Payments. These loans, approved by the Board of Supervisors and HUD, fund affordable housing preservation and development, as well as the reconstruction of Strawbridge Square and Olley Glen.
- ◆ Also included is support for staff and operating costs to provide federally-mandated relocation and advisory services to individuals affected by federally-funded County and FCRHA programs. In addition, funding is provided for staff support and operating costs for overall program management and planning for CDBG and Section 108 Loan programs. This includes preparation of the annual HUD consolidated plans and other program reports, administration and monitoring of non-profit contracts, evaluation of program performance, and planning for the development of affordable housing in the County. In FY 2019, \$851,605 is included for Planning and Urban Design, General Administration and Relocation.
- ◆ Funding of \$683,354 is allocated to Contingency Fund requirements for rehabilitation and/or Special Needs Housing. Details will be outlined in the Consolidated Plan One-Year Action Plan for FY 2019.

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- ◆ Funding of \$502,391 is included for the Homeownership Assistance Program and provides support for the First-Time Homebuyer and Moderate Income Direct Sales programs. These positions enter application data, maintain waiting lists, process applications, conduct lotteries and annual occupancy certifications, and counsel applicants.
- ◆ Funding of \$243,823 supports staff and operating costs for the Home Repair for the Elderly Program. This program funds minor home repairs to help low-income elderly or disabled residents live in safe and sanitary housing.
- ◆ Funding of \$143,332 is included for Fair Housing Program implementation, including conducting and reporting on fair housing tests, filing fair housing complaints, training rental agents and housing counselors in the County's rental market, establishing and staffing the Fair Housing Task Force, and continuing to study and report on the County's fair housing needs.

Budget and Staff Resources

Category	FY 2017 Actual	FY 2018 Adopted	FY 2018 Revised	FY 2019 Advertised	FY 2019 Adopted
FUNDING					
Expenditures:					
CDBG Projects	\$5,465,299	\$4,923,230	\$9,620,824	\$4,974,689	\$4,974,689
Total Expenditures	\$5,465,299	\$4,923,230	\$9,620,824	\$4,974,689	\$4,974,689
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Grant	17 / 17	17 / 17	14 / 14	14 / 14	14 / 14

<u>COMMUNITY / NEIGHBORHOOD IMPROVEMENT</u>		<u>HOMEOWNERSHIP PROGRAM</u>	
1	Housing/Community Developer V	1	Senior Maintenance Supervisor
3	Housing/Community Developers IV	2	General Building Maintenance Workers I
1	Accountant III	1	Administrative Assistant IV
TOTAL POSITIONS		TOTAL POSITIONS	
14 Grant Positions / 14.0 Grant FTE		14 Grant Positions / 14.0 Grant FTE	

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FY 2019 Funding Adjustments

The following funding adjustments from the FY 2018 Adopted Budget Plan are necessary to support the FY 2019 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 1, 2018.

- ◆ **Employee Compensation** **\$0**
It should be noted that no funding is included for performance-based and longevity increases for non-uniformed merit employees in FY 2018, as the fund will absorb the impact within the existing HUD award authorization.

- ◆ **U.S. Department of Housing and Urban Development (HUD) Award** **\$51,459**
An increase of \$51,459 based on the FY 2018 HUD award was used to project expenditures for FY 2019.

Changes to FY 2018 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2018 Revised Budget Plan since passage of the FY 2018 Adopted Budget Plan. Included are all adjustments made as part of the FY 2017 Carryover Review, FY 2018 Third Quarter Review, and all other approved changes through April 30, 2018.

- ◆ **Carryover Adjustments** **\$4,709,615**
As part of the FY 2017 Carryover Review, the Board of Supervisors approved funding of \$4,709,615 due to carryover of \$4,125,505 in unexpended project balances, appropriation of \$532,651 in program income received in FY 2017, and \$51,459 due to the amended HUD award approved by the Board of Supervisors on July 25, 2017.

- ◆ **Position Adjustments** **\$0**
To align position levels with available funding, 3/3.0 FTE grant positions were eliminated after being held vacant for many years.

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

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FUND STATEMENT

Fund 50800, Community Development Block Grant

	FY 2017 Actual	FY 2018 Adopted Budget Plan	FY 2018 Revised Budget Plan	FY 2019 Advertised Budget Plan	FY 2019 Adopted Budget Plan
Beginning Balance	\$160,395	\$0	\$36,408	\$0	\$0
Revenue:					
Community Development Block Grant (CDBG)	\$4,808,661	\$4,923,230	\$9,584,416	\$4,974,689	\$4,974,689
CDBG Program Income	532,651	0	0	0	0
Total Revenue	\$5,341,312	\$4,923,230	\$9,584,416	\$4,974,689	\$4,974,689
Total Available	\$5,501,707	\$4,923,230	\$9,620,824	\$4,974,689	\$4,974,689
Expenditures:					
CDBG Projects ¹	\$5,465,299	\$4,923,230	\$9,620,824	\$4,974,689	\$4,974,689
Total Expenditures	\$5,465,299	\$4,923,230	\$9,620,824	\$4,974,689	\$4,974,689
Total Disbursements	\$5,465,299	\$4,923,230	\$9,620,824	\$4,974,689	\$4,974,689
Ending Balance	\$36,408	\$0	\$0	\$0	\$0

¹ In order to accurately record expenditure accruals, audit adjustments totaling \$12,021.80 are reflected as an increase to FY 2017 CDBG Project expenditures. This impacts the amount carried forward and results in a corresponding decrease to CDBG Project expenditures in the *FY 2018 Revised Budget Plan*. The audit adjustments have been included in the FY 2017 Comprehensive Annual Financial Report (CAFR). The details of the FY 2017 audit adjustment were included in the FY 2018 Third Quarter Package.

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FY 2019 Summary of Grant Funding

Fund 50800, Community Development Block Grant

Grant #	Description	FY 2017 Actual Expenditures	FY 2018 Revised Budget	FY 2019 Advertised Budget Plan	FY 2019 Adopted Budget Plan
1380020	Good Shepherd Housing	\$726,427.00	\$636,241.00	\$0	\$0
1380024	Fair Housing Program	125,942.44	215,170.30	143,332	143,332
1380026	Rehabilitation of FCRHA Properties	99,483.00	367,010.79	0	0
1380035	Home Repair for the Elderly	190,567.34	444,611.97	243,823	243,823
1380036	Contingency Fund	0.00	0.00	683,354	683,354
1380039	Planning and Urban Design	205,950.82	540,679.71	277,875	277,875
1380040	General Administration	327,742.20	683,929.47	573,730	573,730
1380042	Housing Program Relocation	0.00	427,863.73	0	0
1380043	Section 108 Loan Payments	1,111,417.10	1,105,636.00	1,099,481	1,099,481
1380057	Wesley Housing	365,843.00	593,933.00	0	0
1380060	Homeownership Assistance Program	403,045.86	599,292.70	502,391	502,391
1380062	Special Needs Housing	436,917.70	1,169,949.63	0	0
1380070	North Hill	0.00	620,212.86	0	0
1380076	Community Havens	441,739.00	7,153.00	0	0
1380079	Adjusting Factors	0.00	0.00	1,450,703	1,450,703
1380091	Affordable Housing RFP	795,224.00	1,844,139.34	0	0
1380094	Cornerstones	235,000.00	365,000.00	0	0
Total		\$5,465,299.46	\$9,620,823.50	\$4,974,689	\$4,974,689