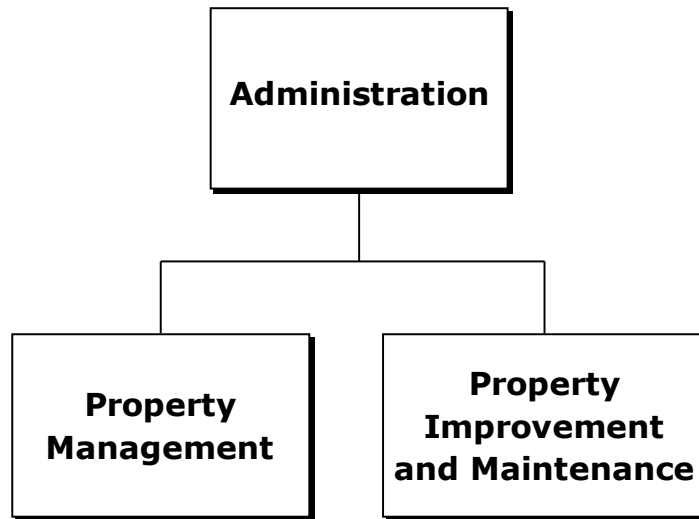


Fund 81200 Housing Partnerships



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 2019, 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 budgeted in the General Fund. 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 budgeted in the General Fund, 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 tables summarize the number of units for each property managed by the FCRHA, as well as those managed by third-party companies, and the projected FY 2019 operating costs.

FCRHA-Managed Properties	Units	FY 2019 Cost	District(s)
Castellani Meadows	24	\$99,302	Sully
The Green ¹	74	592,965	Providence, Hunter Mill, and Sully
Tavenner Lane ²	24	154,451	Lee
Murraygate Village	200	619,708	Lee
Olley Glen	90	506,116	Braddock
Total Partnership Program	412	\$1,972,542	

¹Of the 74 units of The Green, 50 are part of the federally-assisted Rental Assistance Demonstration (RAD) program and are reflected in Fund 81300, RAD-Fairfax County Rental Program (FCRP). However, operating expenses for all 74 units are included in Fund 81200 since they are all owned by The Green Limited Partnership.

²Of the 24 units of Tavenner Lane, 12 are part of the federally-assisted RAD program and are reflected in Fund 81300, RAD-FCRP. However, operating expenses for all 24 units are included in Fund 81200 since they are all owned by Tavenner Lane Limited Partnership.

Third-Party Managed Properties ³	Units	FY 2019 Cost	District
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
Total Third-Party Managed	678	\$0	

³The 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 2017 Actual	FY 2018 Adopted	FY 2018 Revised	FY 2019 Advertised	FY 2019 Adopted
FUNDING					
Expenditures:					
Personnel Services	\$802,411	\$691,907	\$838,907	\$625,591	\$625,591
Operating Expenses	1,003,694	1,241,665	1,411,840	1,346,951	1,346,951
Total Expenditures	\$1,806,105	\$1,933,572	\$2,250,747	\$1,972,542	\$1,972,542
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	7 / 7	7 / 7	7 / 7	7 / 7	7 / 7
RENTAL HOUSING PROPERTY MANAGEMENT					
1 HCD Division Director	1	1	1	1	1
2 Housing Services Specialists II	2	2	2	2	2
1 Housing Services Specialist I	1	1	1	1	1
TOTAL POSITIONS					
7 Positions / 7.0 FTE					

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** **\$29,619**
 An increase of \$29,619 in Personnel Services includes \$15,485 for a 2.25 percent market rate adjustment (MRA) for all employees and \$14,134 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2018.
- ◆ **Other Post-Employment Benefits** **\$2,044**
 An increase of \$2,044 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, in Volume 2 of the FY 2019 Adopted Budget Plan.
- ◆ **Project-Based Budgeting Adjustments** **\$7,307**
 A net increase of \$7,307 comprises \$105,286 in Operating Expenses due to project-based contractual and legal services and repair and maintenance requirements, partially offset by a decrease of \$97,979 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.

Fund 81200 Housing Partnerships

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** **\$204,175**
A funding increase of \$204,175 included as part of the *FY 2017 Carryover Review* was associated with encumbered carryover of \$79,175 in Operating Expenses and \$125,000 in Personnel Services to support revised payroll estimates.

- ◆ **Out-of-Cycle Adjustments** **\$113,000**
A net increase of \$113,000 comprises \$91,000 in Operating Expenses and \$22,000 in Personnel Services to support Partnership operations at Olley Glen and The Green.

Fund 81200 Housing Partnerships

FUND STATEMENT

Fund 81200, Housing Partnerships

	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	\$36,446	\$36,446	\$36,446	\$36,446	\$36,446
Revenue:					
FCRHA Reimbursements	\$1,806,105	\$1,933,572	\$2,250,747	\$1,972,542	\$1,972,542
Total Revenue	\$1,806,105	\$1,933,572	\$2,250,747	\$1,972,542	\$1,972,542
Total Available	\$1,842,551	\$1,970,018	\$2,287,193	\$2,008,988	\$2,008,988
Expenditures:					
Personnel Services	\$802,411	\$691,907	\$838,907	\$625,591	\$625,591
Operating Expenses	1,003,694	1,241,665	1,411,840	1,346,951	1,346,951
Total Expenditures	\$1,806,105	\$1,933,572	\$2,250,747	\$1,972,542	\$1,972,542
Total Disbursements	\$1,806,105	\$1,933,572	\$2,250,747	\$1,972,542	\$1,972,542
Ending Balance¹	\$36,446	\$36,446	\$36,446	\$36,446	\$36,446
Replacement Reserve	\$36,446	\$36,446	\$36,446	\$36,446	\$36,446
Unreserved Ending Balance	0	0	0	0	0

¹An adequate fund balance is maintained to address potential 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.