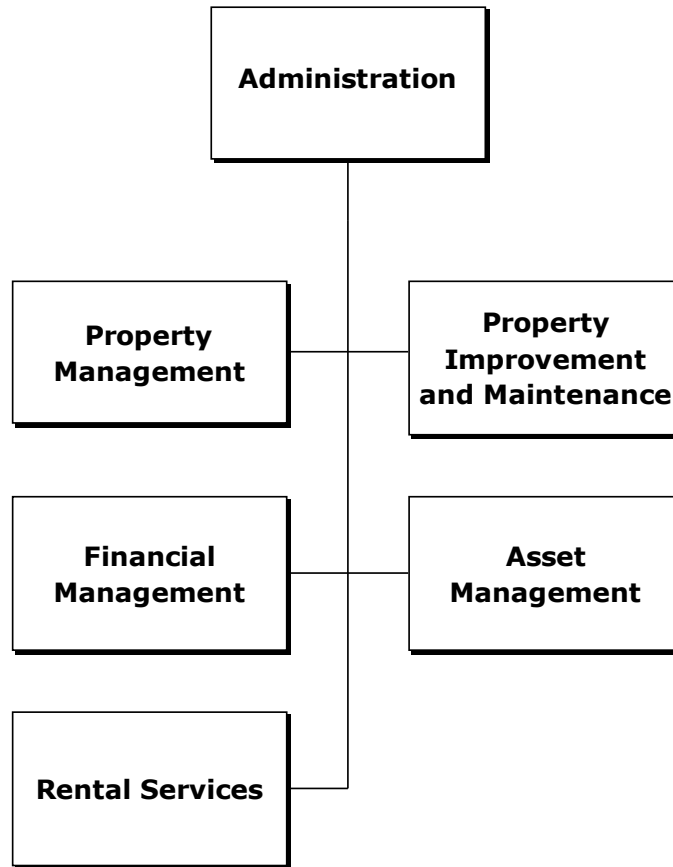


Fund 81300

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 has been initiated by the Department of Housing and Urban Development (HUD). Under RAD, housing authorities convert traditional public housing units to a new subsidy platform using project-based vouchers (PBVs) issued through the Housing Choice Voucher (HCV) Program. For more information about the HCV Program, see Fund 81510, HCV Program.

One of the advantages of converting public housing units to RAD is that the FCRHA can leverage private equity for critical capital improvements. Under the traditional public housing model this was not possible, and the funding made available through Fund 81530, Public Housing Projects Under Modernization, was insufficient to address all of the FCRHA's critical capital needs for public housing units. Since the units are no longer considered public housing under RAD, the FCRHA can secure capital for property improvements. Additionally, residents are provided increased mobility under RAD. If they choose to move from a RAD-FCRP unit, they can be issued a tenant-based voucher, provided they meet the HCV criteria and vouchers are available.

Fund 81300

RAD-Fairfax County Rental Program

In 2017, Phase I of the conversion to RAD included 299 units, and in FY 2018, the remaining 766 units successfully converted as part of Phase II. One unit in Phase I and four units in Phase II are used for office or community room space and, per HUD guidelines, are not considered rentable. While these units are counted in the total converted number of 1,065, there is no voucher attached to these five units.

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.

The FCRP portion of this program is designed to provide affordable rental housing to families with low and moderate incomes. In FY 2019, Fund 81300 will support a total of 1,065 units, including 1,060 PBV units and five offline units. These units are multi-family rental properties and scattered site units throughout the County. While program operations are primarily supported by tenant rents and HAP subsidy from the HCV program, the County's General Fund will continue to support condominium fees for selected RAD properties.

RAD-FCRP Properties and FY 2019 Operating Costs			
Project Name	Units	FY 2019 Budget	Supervisory District
The Atrium	37	\$310,740	Lee
Audubon ¹	46	347,334	Lee
Barros Circle ¹	44	407,506	Sully
Bellevue	40	504,162	Mt. Vernon
Barkley Square	3	35,112	Providence
Briarcliff II	20	210,976	Providence
Colchester Town	8	67,102	Lee
Greenwood	138	1,475,516	Mason
Greenwood II	4	51,791	Lee
Heritage Woods North	12	101,018	Braddock
Heritage Woods South	32	326,542	Braddock
Kingsley Park ¹	108	1,159,747	Providence
Newington Station	36	324,751	Mt. Vernon
Old Mill Gardens ¹	48	646,496	Mt. Vernon
Tavener Lane ²	12	N/A	Lee
The Green ²	50	N/A	Hunter Mill
The Park	24	228,113	Lee
Ragan Oaks	51	648,140	Springfield
Reston Town Center	30	404,365	Hunter Mill
Robinson Square	46	514,755	Braddock
Rosedale Manor ¹	97	1,021,958	Mason
Shadowood	16	85,436	Hunter Mill
Sheffield Village	8	108,742	Mt. Vernon
Springfield Green	5	44,213	Lee
Villages at Falls Church	36	342,774	Mason
Waters Edge	9	95,944	Springfield
Westford I	24	287,640	Mt. Vernon

Fund 81300

RAD-Fairfax County Rental Program

RAD-FCRP Properties and FY 2019 Operating Costs			
Project Name	Units	FY 2019 Budget	Supervisory District
Westford II	22	247,079	Mt. Vernon
Westford III	59	762,047	Mt. Vernon
Total	1,065	\$10,759,999	

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 12 units of Tavenner Lane and the 50 units of The Green are part of the federally-assisted RAD program and are reflected in Fund 81300, RAD-FCRP. However, operating expenses for all 62 units are budgeted for and included in Fund 81200, Housing Partnerships, due to their ownership structure.

Budget and Staff Resources

Category	FY 2017 Actual	FY 2018 Adopted	FY 2018 Revised	FY 2019 Advertised	FY 2019 Adopted
FUNDING					
Expenditures:					
Personnel Services	\$159,232	\$776,575	\$4,295,646	\$4,024,374	\$4,024,374
Operating Expenses	68,352	1,749,451	6,645,570	6,735,625	6,735,625
Capital Equipment	0	0	2,432,310	0	0
Total Expenditures	\$227,584	\$2,526,026	\$13,373,526	\$10,759,999	\$10,759,999
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	4 / 4	4 / 4	52 / 52	52 / 52	52 / 52
1 Housing Community Developer V	1 Financial Specialist IV	1 Locksmith II			
1 Housing Community Developer III	1 Financial Specialist III	7 General Building Maintenance Workers II			
3 Housing Services Specialists V	1 Management Analyst I	4 General Building Maintenance Workers I			
1 Housing Services Specialist IV	1 Chief Building Maintenance Section	1 Human Services Coordinator II			
5 Housing Services Specialists III	1 Preventative Maintenance Specialist	2 Administrative Assistants IV			
12 Housing Services Specialists II	1 Plumber II	2 Administrative Assistants III			
2 Housing Services Specialists I	4 HVACs I				
TOTAL POSITIONS					
52 Positions / 52.0 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** **\$141,102**
 An increase of \$141,102 in Personnel Services includes \$74,151 for a 2.25 percent market rate adjustment (MRA) for all employees and \$66,951 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2018.

Fund 81300 RAD-Fairfax County Rental Program

- ◆ **Full-Year Funding for Conversion of Public Housing units to RAD** **\$8,023,121**
An increase of \$8,023,121 comprises \$3,036,947 in Personnel Services and \$4,986,174 in Operating Expenses to support full-year funding for the full conversion of public housing units to RAD.

- ◆ **Other Post-Employment Benefits** **\$69,750**
An increase of \$69,750 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](#).

- ◆ **Fund Consolidation** **\$0**
Due to the conversion of all Public Housing units to RAD-FCRP, Fund 81520 Public Housing Projects Under Management, and Fund 81530, Public Housing Projects Under Modernization, are consolidated into Fund 81300, RAD-FCRP. As a result, all assets, liabilities and equity including fund balances of \$2,195,960 from Fund 81520 and \$2,173,573 from Fund 81530, are transferred to Fund 81300 in FY 2019. As a result, the FY 2019 beginning balance for Fund 81300 includes a total of \$4,369,533 from Funds 81520 and 81530.

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.

- ◆ **Out-of-Cycle Adjustments** **\$1,574,116**
Subsequent to the *FY 2017 Carryover Review*, \$111,116 in Personnel Services and \$1,463,000 in Operating Expenses was reallocated from Fund 81520, Public Housing Projects Under Management, as a result of the remaining public housing units converting to RAD in FY 2018. Additionally, 48/48.0 FTE positions were transferred to Fund 81300 as part of the conversion.

- ◆ **Final RAD Conversion** **\$7,623,973**
Reallocations of \$6,718,175, comprised of \$3,285,056 in Personnel Services and \$3,433,119 in Operating Expenses, from Fund 81520, Public Housing Projects Under Management and \$905,798, comprised of \$122,899 in Personnel Services and \$782,899 in Capital Outlay, from Fund 81530, Public Housing Projects Under Modernization to Fund 81300, RAD-FCRP are associated with the full conversion of public housing units to RAD in FY 2018.

- ◆ **HUD Award** **\$1,649,411**
Subsequent to the approval of the *FY 2017 Carryover Review*, an allocation of \$1,649,411 was awarded by HUD for Program Year 46 staff administration and capital improvements.

Fund 81300

RAD-Fairfax County Rental Program

FUND STATEMENT

Fund 81300, RAD-Fairfax County Rental Program

	FY 2017 Actual	FY 2018 Adopted Budget Plan	FY 2018 Revised Budget Plan ¹	FY 2019 Advertised Budget Plan ¹	FY 2019 Adopted Budget Plan
Beginning Balance	\$0	\$0	\$308,196	\$3,503,842	\$3,617,639
Revenue: ²					
Rental Income	\$529,162	\$2,834,449	\$7,078,949	\$6,227,564	\$6,227,564
Annual Contributions	0	0	3,903,203	4,392,109	4,392,109
Investment Income	0	1,755	3,285	305	305
Other Income	6,618	47,303	1,327,999	140,021	140,021
Total Revenue	\$535,780	\$2,883,507	\$12,313,436	\$10,759,999	\$10,759,999
Total Available	\$535,780	\$2,883,507	\$12,621,632	\$14,263,841	\$14,377,638
Expenditures:					
Personnel Services	\$159,232	\$776,575	\$4,295,646	\$4,024,374	\$4,024,374
Operating Expenses	68,352	1,749,451	6,645,570	6,735,625	6,735,625
Capital Outlay	0	0	2,432,310	0	0
Total Expenditures	\$227,584	\$2,526,026	\$13,373,526	\$10,759,999	\$10,759,999
Total Disbursements	\$227,584	\$2,526,026	\$13,373,526	\$10,759,999	\$10,759,999
Balance Transfers due to Fund Consolidation:					
From 81520	\$0	\$0	\$2,195,960	\$0	\$0
From 81530	0	0	2,173,573	0	0
Total Balance Transfers	\$0	\$0	\$4,369,533	\$0	\$0
Ending Balance	\$308,196	\$357,481	\$3,617,639	\$3,503,842	\$3,617,639

¹ Due to the conversion of public housing units to Rental Assistance Demonstration (RAD), Fund 81520, Public Housing Projects Under Management, and Fund 81530, Public Housing Projects Under Modernization, are consolidated into Fund 81300, RAD-Fairfax County Rental Program (FCRP). This consolidation was planned for FY 2019. However, subsequent to the FY 2018 Third Quarter Review, it was determined that the consolidation needed to occur in FY 2018 in order to meet HUD reporting requirements. As a result, Funds 81520 and 81530 were closed in FY 2018, and all assets, liabilities and equity were moved to Fund 81300.

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.