

# Housing and Community Development Program Overview



AGENCY DASHBOARD			
Key Data	FY 2015	FY 2016	FY 2017
1. Per Capita Federal Expenditures for Housing Programs	\$67	\$66	\$67
2. Average household income served; FCRHA rental/tenant subsidy programs	\$24,190	\$23,795	\$22,594
3. Number of low-income households earning less than \$50,000 per year in Fairfax County	70,717	69,137	70,339
4. Individuals living below the federal poverty level in Fairfax County	67,252	69,657	66,681
5. Number of full-time jobs at minimum wage needed to afford a two-bedroom apartment at the HUD Fair Market Rent in Fairfax County	4.0	4.5	4.5
6. Average rent for rental housing in Fairfax County	\$1,640	\$1,687	\$1,750
7. Average vacancy rate for rental housing in the County	7.6%	7.6%	8.1%

## Introduction

The Housing Overview section describes the programs and projects operated by the Fairfax County Department of Housing and Community Development (HCD) and the Fairfax County Redevelopment and Housing Authority (FCRHA), and the multiple sources of funds that support these activities.

As a County agency, HCD undertakes many programs on behalf of the Board of Supervisors (the Board). HCD also serves as the administrative arm of the FCRHA, a separate legal entity that was established in 1966 pursuant to Chapter 1, Title 36 of the Code of Virginia. FCRHA's roles include planning, design, production, rehabilitation, and maintenance of housing for households with low- and moderate-incomes, and assisting in the revitalization of neighborhoods. Eleven Commissioners are appointed to the FCRHA for four-year terms by the Board of Supervisors. A chairman and vice-chairman are then selected by a vote of the commissioners.

Operations are supported by County funds, FCRHA revenue bonds, federal grants, private capital, revenue from program operations (e.g., developer fees, tenant rents and loan repayments), and interest income. These complex funding streams require multiple funds and, as a result, HCD will administer 16 funds in FY 2019. Some funds are appropriated by the Board of Supervisors, while others are allocated by the FCRHA, and all funds are presented in the budget documents to provide a complete financial

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overview. These 16 funds encompass all of HCD/FCRHA's operations with the exception of developments that are operated by outside management companies under contract with the FCRHA and/or are owned by the FCHRA in partnership with private investors. Separate financial records are maintained for these developments. It should be noted that the [FY 2019 Adopted Budget Plan](#) also includes four funds, Fund 81020, Non-County Rehabilitation Loan Program; Fund 81030, FCRHA Revolving Development; Fund 81520, Public Housing Projects Under Management; and Fund 81530, Public Housing Projects Under Modernization, which are closed and consolidated into other funds. See those individual fund narratives for more details.

FY 2019 anticipated expenditures supporting HCD and FCRHA activities total \$130,989,990, including \$8,707,725 in General Fund support, \$29,155,167 in other County appropriated funds, and \$93,127,098 in Non-County appropriated funds. The [FY 2019 Adopted Budget Plan](#) reflects an increase of \$7.6 million, or 6.1 percent, over the [FY 2018 Adopted Budget Plan](#). This increase is primarily attributable to the conversion of public housing units to Rental Assistance Demonstration (RAD) (see Fund 81300, RAD-Fairfax County Rental Program (FCRP)) and the State Rental Assistance Program (SRAP) (see Fund 81500, Housing Grants and Projects). Total revenue for FY 2019 is anticipated to be \$130,831,528, including federal/state sources of \$71,516,615, or 54.7 percent of the total. More detailed descriptions of FY 2019 funding levels may be found in the narratives for each fund. This Overview also provides summary information on the organization, staffing and consolidated budget for the County's housing programs.

## Mission

To create and preserve affordable housing and caring, livable communities; to serve the diverse needs of Fairfax County's residents through innovative programs, partnerships and effective stewardship; and to foster a respectful, supportive workplace.

## Focus

HCD connects with the residents of Fairfax County at their roots – their homes, neighborhoods, and communities. All HCD programs, activities, and services revolve around this important link. Consistent with the Lines of Business presented in FY 2016, there are four service areas:

- Affordable Housing Development, Preservation, and Sustainability;
- Affordable Rental Housing, Property Management, and Maintenance;
- Tenant Subsidies and Resident Services; and,
- Homeownership and Relocation Services.

It should be noted that functions and programs cross these four service areas, making resource allocation to each service area challenging. It is possible, however, to highlight the main functions included in each service area.

### **Affordable Housing Development, Preservation and Sustainability**

HCD, as the administrative staff of the FCRHA, uses FCRHA financing to design and build new housing units that are affordable to a range of low- and moderate-income households, helping to ensure a wider range of housing options for County residents. The FCRHA directly finances the development and preservation of affordable housing units and fosters the creation of additional affordable and workforce units by the private sector. Through rehabilitation of existing units, the FCRHA and HCD help people stay in their homes. There is a significant need for affordable and workforce housing in the County. Currently, there is an estimated gap of over 30,000 rental homes affordable to low- and moderate-income families earning up to 80 percent of the Area Median Income (AMI). Additionally, a prospective look at

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housing needs is being taken as part of the community-wide housing strategic plan and will be available in the spring. With the stagnation of federal funding for affordable housing development over the last several years, and a significant local need, the burden largely falls to the local jurisdictions.

Over the past several years, a total of 3,000 affordable units have been preserved for both homeownership and rental purposes in a variety of large and small projects. Preservation successes include the following projects: Janna Lee Village (Lee District); Hollybrook II (Mason District); Coralain Gardens (Mason District); Sunset Park Apartments (Mason District); Mount Vernon House (Mount Vernon District); Madison Ridge (Sully District); Crescent Apartments (Hunter Mill District); Wedgewood Apartments (Mason District); Huntington Gardens (Lee District); and Wexford Manor (Providence District). As of the end of June 2017, the FCRHA owns or operates 77 properties, which are comprised of over 3,800 apartments, townhouses, senior retirement homes, assisted living facilities, and specialized housing units.

## Housing Blueprint

The Housing Blueprint (Blueprint) was created in the wake of the 2007 recession to focus affordable housing policies and resources on serving those with the greatest need, including homeless families and individuals, persons with special needs, and households with extremely low-incomes. The Blueprint has four current goals: 1) to prevent and end homelessness in ten years; 2) to provide affordable housing opportunities to those with special needs; 3) to meet the affordable housing needs of low income working families; and 4) to produce workforce housing sufficient to accommodate projected job growth. Previously, the Blueprint presented a comprehensive summary of existing federal and County resources, proposed County funding for the Bridging Affordability program and affordable housing development by partners, as

well as the specific metrics tied to achieving Blueprint goals. It is anticipated that, in the years following the adoption of the community-wide housing strategic plan that is currently under development, as well as its subsequent implementation steps, the annual Blueprint will become a work plan for the community to take action.

## Affordable/Workforce Housing

The Board of Supervisors created a Workforce Housing Program through amendments to the Fairfax County Comprehensive Plan and Zoning Ordinance, and the adoption of a new Board policy. The Workforce Housing Program, based on the recommendations of the Board-appointed High-Rise Affordability Panel, is a proffer-based incentive system to encourage developers to provide workforce housing in the County's mixed-use development centers. The Board's action sets forth the expectation that 12 percent of all new residential units will be affordable to a range of moderate-incomes up to 120

### The Department of Housing and Community Development supports the following County Vision Elements:



*Maintaining Safe and Caring Communities*



*Connecting People and Places*



*Building Livable Spaces*



*Maintaining Healthy Economies*



*Practicing Environmental Stewardship*



*Creating a Culture of Engagement*



*Exercising Corporate Stewardship*

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percent of the AMI. Through FY 2017, a total of 6,778 Workforce Dwelling Units have been committed by private developers in rezoning actions approved by the Board of Supervisors, of which 834 rental workforce units have been constructed.

## Affordable Housing Development Activities

HCD, in conjunction with the FCRHA, facilitates the development of affordable housing by non-profit and for-profit developers through incentives and financing. HCD and the FCRHA also build and own housing for low- and moderate-income families and individuals, as well as households with special needs. In addition, the FCRHA partners with private investors through limited partnerships to develop and operate affordable housing under the Virginia Public-Private Educational Facilities Infrastructure Act (PPEA). At the end of FY 2017, construction was complete and leasing was in progress on the 270 affordable housing units for the PPEA project Residences at the Government Center and the renovation of the Lincolnia Senior Center (Mason District) was completed. HCD and the FCRHA are actively engaged in a variety of development activities, including the Lewinsville Senior Complex (Dranesville District), the Residences at North Hill Park site (Mount Vernon District), the Lincolnia Phase II renovation project (Mason District), Murraygate (Lee District), and One University (Braddock District). Many of the development projects are planned to be public private partnership developments to leverage financing and provide the greatest value to the residents of the County.

## Home Repair for the Elderly

The Home Repair for the Elderly Program assists elderly residents with basic home repairs, thereby enabling them to remain in their homes safely and helping to preserve older neighborhoods. In FY 2017, 143 households were served.

## **Affordable Rental Housing, Property Management, and Maintenance**

HCD manages and cares for the FCRHA's stock of affordable housing units and the people who live in them. Effective management and maintenance of the properties benefits both the residents who deserve safe and well-kept housing, and the surrounding community through the successful integration of the units within the County's neighborhoods. Funding challenges persist as rents paid by tenants are growing at a slower rate than expenses, and additional federal resources are unlikely. Maintaining affordable rents and providing necessary property maintenance remains a challenge.

## Rental Assistance Demonstration

In FY 2018, the FCRHA successfully converted its stock of public housing subsidized units to a project-based voucher subsidy model under the U.S. Department of Housing and Urban Development (HUD) Rental Assistance Demonstration (RAD) program. Conversion to RAD has numerous advantages, including providing more mobility for residents than conventional public housing, as well as allowing the FCRHA to leverage private equity to secure resources needed to address critical capital improvements on aging public housing units. In FY 2017, 299 public housing units were converted to RAD units as a part of Phase I, and in FY 2018, Phase II included the remaining 766 units. As a result, all 1,065 public housing units have been converted to RAD.

## FCRHA Rental Housing Programs

The Rental Housing Program includes properties owned by the FCRHA, as well as properties owned by limited Partnerships affiliated with the FCRHA. In addition, it encompasses units owned by the FCRHA and operated under RAD. Rental properties for low income families are managed through Fund 40330, Elderly Housing Programs, Fund 81100, Fairfax County Rental Program (FCRP), Fund 81200, Housing Partnerships, Fund 81300, RAD-FCRP, and Fund 81510, Housing Choice Voucher (HCV). In FY 2017, the average income of households served in the FCRHA's major multifamily

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affordable rental housing and tenant subsidy programs was approximately \$22,600, or 23 percent of the AMI for a family of three (the average household size in these programs). This meets the HUD definition of extremely low income. A total of 17,499 individuals were housed through these programs in FY 2017. Due to its consistent status as a HUD High Performer, the FCRHA was designated as a Moving to Work (MTW) agency in FY 2014. MTW agencies are granted flexibility to test innovative, locally-designed strategies to improve cost-effectiveness and help families achieve self-sufficiency.

## Affordable Adult Housing and Assisted Living

HCD and the FCRHA provide 482 affordable active adult rental apartments in Fairfax, Herndon, Springfield, Lincolnia, and the Mount Vernon/Gum Springs areas of Fairfax County, including the 90-unit Olley Glen facility. In addition, 112 beds of assisted living in Braddock Glen in Fairfax (Braddock District) and the Lincolnia Senior Center and Residence in Alexandria (Mason District) are also provided.

## **Tenant Subsidies and Resident Services**

HCD facilitates the provision of decent, safe, and affordable housing in the private market for families with low incomes. By providing participants with the necessary tools through supportive services that will help them move along the housing continuum to self-sufficiency, HCD strives to encourage economic development and continued availability of affordable housing units for those in need. Tenant subsidies are significantly impacted by changes in federal policy and funding, as well as local rental market dynamics. Low- and extremely-low income families often face barriers to obtaining private market rate housing, such as poor credit, lack of affordable child care, and lack of transportation options. HCD staff works cooperatively with other County and non-profit service providers to help families overcome these barriers through service coordination and information sharing.

## Bridging Affordability Program

The Bridging Affordability Program was designed for rental subsidies or capital for the acquisition of additional affordable units to address the homelessness and waiting list goals of the Housing Blueprint. Since FY 2011, a consortium of non-profit organizations has administered this program to collaboratively provide rental subsidies and an array of supportive services to program participants. Through FY 2017, a total of 502 households have leased up through the Bridging Affordability Program and 85 percent of those who have exited the program have “bridged” to sustainable housing. Many have bridged to FCRHA housing programs (Public Housing or Housing Choice Vouchers). The average income of all households served by the Bridging Affordability program in FY 2017 was \$18,379, or approximately 17 percent of AMI for a family of four. The Bridging Affordability Program is funded, subject to annual allocation, with program income from the County-owned Wedgewood Apartments property in Fund 30300, The Penny for Affordable Housing Fund.

## PROGRESS Center

In September 2010, HCD established the Partnership for Resident Opportunities, Growth, Resources and Economic Self Sufficiency (PROGRESS) Center. The Center is housed within HCD and staffed by existing employees, each bringing a rich background and experience in HCD housing programs and human services. The Center is focused on RAD (formerly public housing) residents, participants in the HCV program, and the FCRP residents such as those living at Stonegate and Murraygate. Staff at the Center address client issues that can range from job loss to behavior issues to residents in crisis. The PROGRESS Center focuses on crisis intervention; employment and training opportunities; and services related to affordable health insurance, emergency medical intervention, adult protection, mental health, and physical and sensory disabilities for program participants.

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## **Homeownership and Relocation Services**

HCD helps families with low- and moderate-incomes invest in Fairfax County by becoming homeowners. Helping families with low- and moderate-incomes find housing provides additional stability for the new homeowners, while also freeing up HCD and FCRHA resources to be used for additional families in need when families are able to move on from County-owned or rental assistance properties. HCD ensures compliance with County and federal programs and requirements.

### First-Time Homebuyers Program

This program offers new and resale homes to moderate-income first-time homebuyers at prices below the cost of market-rate units within developments. These homes are built by private developers in exchange for a density bonus and are located throughout the County.

### Homeownership Resource Center

The Homeownership Resource Center serves hundreds of people each month, providing information on homeownership, homeownership education, one-on-one and group counseling sessions, opportunities to meet with lenders, applicant briefings, and coordination of resources for current and prospective first-time homebuyers. All potential Fairfax County first-time homebuyer participants are provided with a six-hour homeownership education course taught by Virginia Housing Development Authority (VHDA) trained lenders and housing professionals. Completion of the class qualifies graduates to participate in the First-Time Homebuyers Program (FTHB). Translation services are offered in American Sign Language and to non-English speaking applicants.

In FY 2017, a total of 7,474 households were served through the Homeownership Resource Center. Also, in FY 2017, 1,448 First-Time Homebuyers Program units were subject to continued compliance with covenants, particularly with respect to refinancing, resales, and occupancy requirements. Staff also records notices for Affordable Dwelling Units (ADUs) when the restrictive covenants are expiring. The ADU program has been operating for more than 25 years and an increasing number of covenants are expiring, requiring staff to record an increasing number of notices and oversee sales in the extended control period. By the end of 2020, nearly 800 notices will have to be recorded for these ADUs. Staff also conducts regular compliance checks of the public records and continued monitoring with respect to refinancing and the potential for over-financing of properties in the First-Time Homebuyers Program.

### Relocation Services and Monitoring

This program provides technical assistance and monitoring for preservation initiatives. This activity also includes relocation services for all federally-funded projects throughout the agency. In FY 2017, staff conducted relocation reviews of 21 projects for compliance with the federal Uniform Relocation Act and the Fairfax County Voluntary Relocation Assistance Guidelines. These services provide technical assistance to developers under both the Fairfax County Relocation Guidelines and Fairfax County Code for projects where there is substantial rehabilitation and condominium conversion. Technical assistance under the federally-mandated Uniform Relocation Act is provided if federal funds are involved in the project.

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## Key Performance Measures

### Goal

To implement the Board of Supervisors' Affordable Housing Goal that "opportunities should be available to all who live or work in Fairfax County to purchase or rent safe, decent, affordable housing within their means." This goal will be achieved by providing affordable housing preservation and development; offering technical assistance; arranging financing services in conjunction with the FCRHA, for-profit, and non-profit community partners; managing and maintaining quality affordable rental housing; administering rental housing subsidies in accordance with federal regulations and local policies; and providing homeownership opportunities to eligible households.

### Affordable Housing Preservation

To preserve 3,200 units of affordable housing by the end of fiscal year 2019 and to leverage every \$1 in local funds invested in preservation with \$3 in non-County resources.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2015 Actual	FY 2016 Actual	FY 2017 Estimate/Actual	FY 2018	FY 2019
<b>Output:</b>					
Number of affordable housing units preserved	56	29	100/214	100	100
<b>Efficiency:</b>					
Amount of General County funds per affordable housing unit preserved	\$0	\$0	\$40,000/\$42,890	\$40,000	\$40,000
<b>Service Quality:</b>					
Amount of funds leveraged per \$1 of County funds for units preserved	NA	NA	\$3/\$4	\$3	\$3
<b>Outcome:</b>					
Cumulative number of affordable units preserved since April 2004	2,757	2,786	2,886/3,000	3,100	3,200

### Performance Measurement Results

In FY 2017, a total of 214 affordable units were preserved, exceeding the estimate of 100 units preserved, and bringing the cumulative number of affordable units preserved to 3,000, thereby exceeding the goal of 2,886 units. A combination of \$9.2 million in County funds and \$38.9 million in non-County funds were used to preserve these units, resulting in more than \$4 leveraged per \$1 of County funds, exceeding the goal of leveraging \$3 per \$1 of County funding. The amount of County General Funds per unit preserved was \$42,890, falling short of the goal of \$40,000 per unit.

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## Public Housing and FCRHA Rental Assistance Demonstration (RAD)

To maintain an occupancy rate of 95 percent or better in RAD units (converted from Public Housing).

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2015 Actual	FY 2016 Actual	FY 2017 Estimate/Actual	FY 2018	FY 2019
<b>Output:</b>					
Clients housed	2,637	2,762	2,780/2,651	2,780	2,780
Number of New Households Served	76	121	85/63	85	85
<b>Efficiency:</b>					
Average income served as percentage of Area Median Income	22%	22%	30%/20%	30%	30%
<b>Service Quality:</b>					
Percent on-time re-certifications	100%	97%	95%/100%	95%	95%
Percent on-time inspections	100%	100%	95%/100%	95%	95%
<b>Outcome:</b>					
Occupancy Rate	95%	97%	95%/97%	95%	95%

### Performance Measurement Results

In FY 2017, the Public Housing Program and the RAD-FCRP Program provided high quality housing to over 2,600 Fairfax County residents and maintained a high occupancy rate of 97 percent, exceeding the occupancy goal of 95 percent. A total of 63 new households were served during FY 2017, which was less than the estimate of 85, since there was less turnover than expected. The program continues to meet its mission. The average household income of clients served in FY 2017 was \$21,898, or 20 percent of the AMI for a family of three, which meets the HUD definition of extremely low-income.

## Fairfax County Rental Program (FCRP)

To maintain an overall occupancy rate of 95 percent or higher for FCRP multi-family properties.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2015 Actual	FY 2016 Actual	FY 2017 Estimate/Actual	FY 2018	FY 2019
<b>Output:</b>					
Individuals housed	5,725	5,530	5,725/5,307	5,725	5,725
Number of units in program <sup>1</sup>	2,100	2,097	2,100/2,106	2,111	2,111
<b>Efficiency:</b>					
Average income served as a percentage of Area Median Income	37%	37%	40%/34%	40%	40%
<b>Service Quality:</b>					
Percent on-time re-certifications <sup>2</sup>	100%	96%	95%/95%	95%	95%
<b>Outcome:</b>					
Occupancy rate	97%	94%	95%/94%	95%	95%

<sup>1</sup> Includes all FCRP multifamily units, the Woodley Hills mobile home park, and the Coan Pond working singles residences; does not include senior housing properties and certain special needs programs.

<sup>2</sup> Measure includes all FCRHA-managed FCRP multifamily rental properties, excluding active senior properties.



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### *Performance Measurement Results*

In FY 2017, there were 2,106 housing units in FCRP and 5,307 individuals were housed. The occupancy rate was 94 percent, slightly below the target of 95 percent. The lower occupancy rates for FY 2016 and FY 2017 are due in part to properties undergoing rehabilitation. The average household income served was \$36,436, or 34 percent of the Area Median Income for a family of three, thereby meeting the HUD definition of very low-income and accomplishing the goal of serving households with incomes at or below 40 percent of the AMI. Ninety-five percent of re-certifications, excluding active senior properties, were conducted on-time, thereby meeting the target.

### Housing Choice Voucher

To obtain a funding utilization rate of 98 percent or higher for the federal Housing Choice Voucher (HCV) program.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2015 Actual	FY 2016 Actual	FY 2017 Estimate/Actual	FY 2018	FY 2019
<b>Output:</b>					
Individuals housed	9,327	9,917	9,500/9,541	9,500	9,500
<b>Efficiency:</b>					
Average income served as a percentage of Area Median Income	18%	18%	30%/17%	30%	30%
<b>Service Quality:</b>					
Percent on-time inspections	98%	100%	95%/100%	95%	95%
Percent on-time re-certifications	100%	100%	95%/100%	95%	95%
<b>Outcome:</b>					
Voucher funding utilization rate	98%	102%	98%/99.7%	98%	98%

### *Performance Measurement Results*

The HCV program exceeded its goals in FY 2017, housing more than 9,500 individuals with an average household income of \$16,853. This income level is approximately 17 percent of the AMI for a family of three, thereby meeting the HUD definition of extremely low-income. All other program targets were met and surpassed in FY 2017.

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## Elderly Housing Programs

To maintain an Assisted Living occupancy rate of 98 percent or higher and accurately track the cost of two subsidized Assisted Living facilities that contain a total of 112 beds.

To maintain an Independent Living occupancy rate of 98 percent or higher and maintain a customer satisfaction rating of 98 percent or better.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2015 Actual	FY 2016 Actual	FY 2017 Estimate/Actual	FY 2018	FY 2019
<b>Output:</b>					
Assisted Living clients housed <sup>1</sup>	99	110	110/111	110	110
Independent Living individuals housed <sup>2</sup>	498	504	480/482	480	480
<b>Efficiency:</b>					
Assisted Living cost per client <sup>3</sup>	\$35,854	\$31,998	\$33,000/\$32,432	\$34,000	\$35,000
Independent Living cost per client	\$9,395	\$10,144	\$11,000/\$10,560	\$11,500	\$12,500
<b>Service Quality:</b>					
Assisted Living occupancy rate	88%	98%	98%/99%	98%	98%
Independent Living occupancy rate	97%	100%	98%/100%	98%	98%
<b>Outcome:</b>					
Assisted Living overall customer satisfaction rating	94%	96%	96%/96%	96%	96%
Independent Living overall customer satisfaction rating	100%	99%	98%/98%	98%	98%

<sup>1</sup> Refers to the number of beds in use in a month.

<sup>2</sup> Refers to highest monthly number of households served in all senior independent living units, including those managed by the FCRHA and properties managed by third-party firms under contract with the FCRHA. The number of units of senior independent living housing in the Fairfax County Rental Program decreases by 22 in spring 2016 due to the redevelopment of the Lewinsville Senior Campus. These units will be replaced by 82 privately owned and operated affordable senior residences.

<sup>3</sup> Includes all operating costs except major capital expenditures.

### Performance Measurement Results

Assisted Living programs met or exceeded all targets for FY 2017. A total of 111 individuals were housed at two assisted living developments with 112 beds (Braddock Glen and the Lincolnia Senior Center and Residence), achieving a 99 percent occupancy rate with 96 percent satisfaction. The FY 2017 Assisted Living cost per client of \$32,432 was lower than the target and customer satisfaction rating met the target.

Independent Living programs also met or exceeded all targets for FY 2017. A total of 482 individuals were housed, and the cost per client was \$10,560. The properties, including those managed by the FCRHA and those managed by third-party firms under contract with the FCRHA, achieved a 100 percent occupancy rate in FY 2017. The overall independent living customer service satisfaction rating was 98 percent.

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## Homeownership

To obtain a Program Assessment rating of 95 percent or better on indicators addressing sales rate, foreclosures and rate of participation.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2015 Actual	FY 2016 Actual	FY 2017 Estimate/Actual	FY 2018	FY 2019
<b>Output:</b>					
Total First-Time Homebuyer (FTHB) units <sup>1</sup>	NA	1,395	1,295/1,448	1,295	1,295
First-time homebuyers	16	18	30/10	10	10
FTHB households participating in the program	1,176	855	800/871	800	800
Number of families served through marketing and counseling efforts	7,563	6,025	6,000/7,474	6,000	6,000
<b>Efficiency:</b>					
Cost per FTHB participant	\$277	\$203	\$205/\$182	\$205	\$205
Average income of new first-time homebuyers	\$49,122	\$48,752	\$55,000/\$49,706	\$55,000	\$55,000
<b>Service Quality:</b>					
Participant satisfaction survey scores	100%	100%	95%/100%	95%	95%
<b>Outcome:</b>					
Assessment rating	100%	94%	95%/94%	95%	95%

<sup>1</sup> New performance indicator for FY 2016; includes FTHB units in extended control period which require ongoing monitoring of refinance, sales and foreclosure prevention indicators. FY 2017 includes units which were not previously counted.

### Performance Measurement Results

The number of new and resale units varies from year to year, due to a variety of external factors such as real estate market conditions and the economy. The pace of real estate development in the County determines the timing of the production of affordable dwelling units (ADUs) within new residential developments. In FY 2017, the total number of First-Time Homebuyer (FTHB) units, the number of FTHB households participating in the program, and the number of families served through marketing and counseling efforts all exceeded estimates. Ten first-time homebuyers achieved homeownership with assistance from HCD programs. The decrease in first-time homebuyers assisted in FY 2017 compared with prior years and the variance from the estimate is primarily attributable to current property owners retaining their first-time homebuyer units rather than re-selling them to the program, resulting in fewer units being available to new participants. The cost per FTHB participant was \$182, meeting the goal of \$205 or less, and the average income of new first-time homebuyers was \$49,706, meeting the goal of serving homebuyers with average incomes at or below \$55,000. Participant satisfaction was 100 percent, exceeding the target, and the program assessment rating was 94 percent, just below the target of 95 percent.

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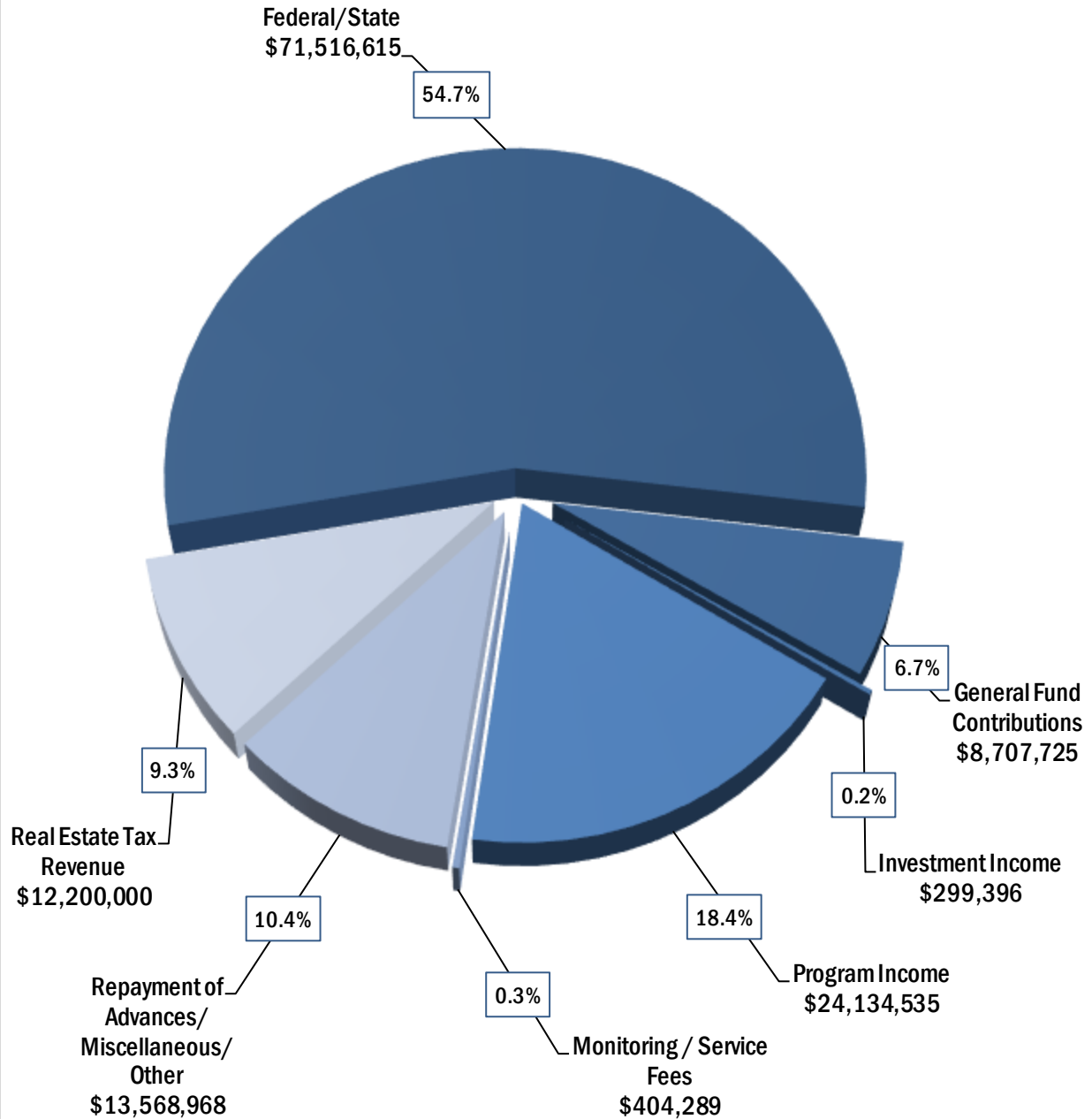
## CONSOLIDATED FUND STATEMENT

	FY 2017 Actual	FY 2018 Adopted Budget Plan	FY 2018 Revised Budget Plan	FY 2019 Advertised Budget Plan	FY 2019 Adopted Budget Plan
<b>Beginning Balance</b>	\$98,651,972	\$40,935,793	\$96,578,188	\$39,770,761	\$39,110,855
Revenue:					
Federal/State	\$65,835,969	\$65,174,350	\$72,111,866	\$71,516,615	\$71,516,615
General Fund Contributions	8,034,636	8,207,390	8,501,171	8,707,725	8,707,725
Program Income	21,717,982	24,253,915	22,894,819	24,134,535	24,134,535
Investment Income	325,871	188,440	188,440	299,396	299,396
Monitoring/Service Fees	513,792	461,671	461,671	404,289	404,289
Utility Reimbursements	163,588	137,900	0	0	0
Repayment of Advances	576,223	0	0	0	0
Real Estate Tax Revenue	11,700,000	11,900,000	11,900,000	12,200,000	12,200,000
Miscellaneous/Other	12,273,042	13,368,538	15,196,805	13,568,968	13,568,968
<b>Total Revenue</b>	\$121,141,103	\$123,692,204	\$131,254,772	\$130,831,528	\$130,831,528
<b>Total Available</b>	\$219,793,075	\$164,627,997	\$227,832,960	\$170,602,289	\$169,942,383
Expenditures: <sup>1</sup>					
Personnel Services	\$17,711,778	\$18,493,634	\$18,843,825	\$19,319,995	\$19,319,995
Operating Expenses	77,781,832	80,972,068	83,483,027	85,828,473	85,828,473
Capital Equipment	222,929	0	3,071,862	0	0
Grant Projects	7,473,293	6,433,041	15,092,835	7,805,166	7,805,166
Capital Projects	20,317,555	18,185,859	68,683,164	18,689,954	18,689,954
Recovered Costs	(292,500)	(667,608)	(452,608)	(653,598)	(653,598)
<b>Total Expenditures</b>	\$123,214,887	\$123,416,994	\$188,722,105	\$130,989,990	\$130,989,990
<b>Total Disbursements</b>	\$123,214,887	\$123,416,994	\$188,722,105	\$130,989,990	\$130,989,990
<b>Ending Balance</b>	\$96,578,188	\$41,211,003	\$39,110,855	\$39,612,299	\$38,952,393

<sup>1</sup> Designations are based on fund category, for example, Fund 30300, The Penny for Affordable Housing Fund is included in Capital Projects although some funding is used to support Operating Expenses. Fund 81060, FCRHA Internal Service Fund, was included as a separate housing fund beginning in FY 1998. Revenues and expenditures for this fund are included in the Consolidated Fund Statement, but do not increase total funding available to the agency. As such, this funding is netted out of the Program Area Summary by Fund.

# Housing and Community Development Program Overview

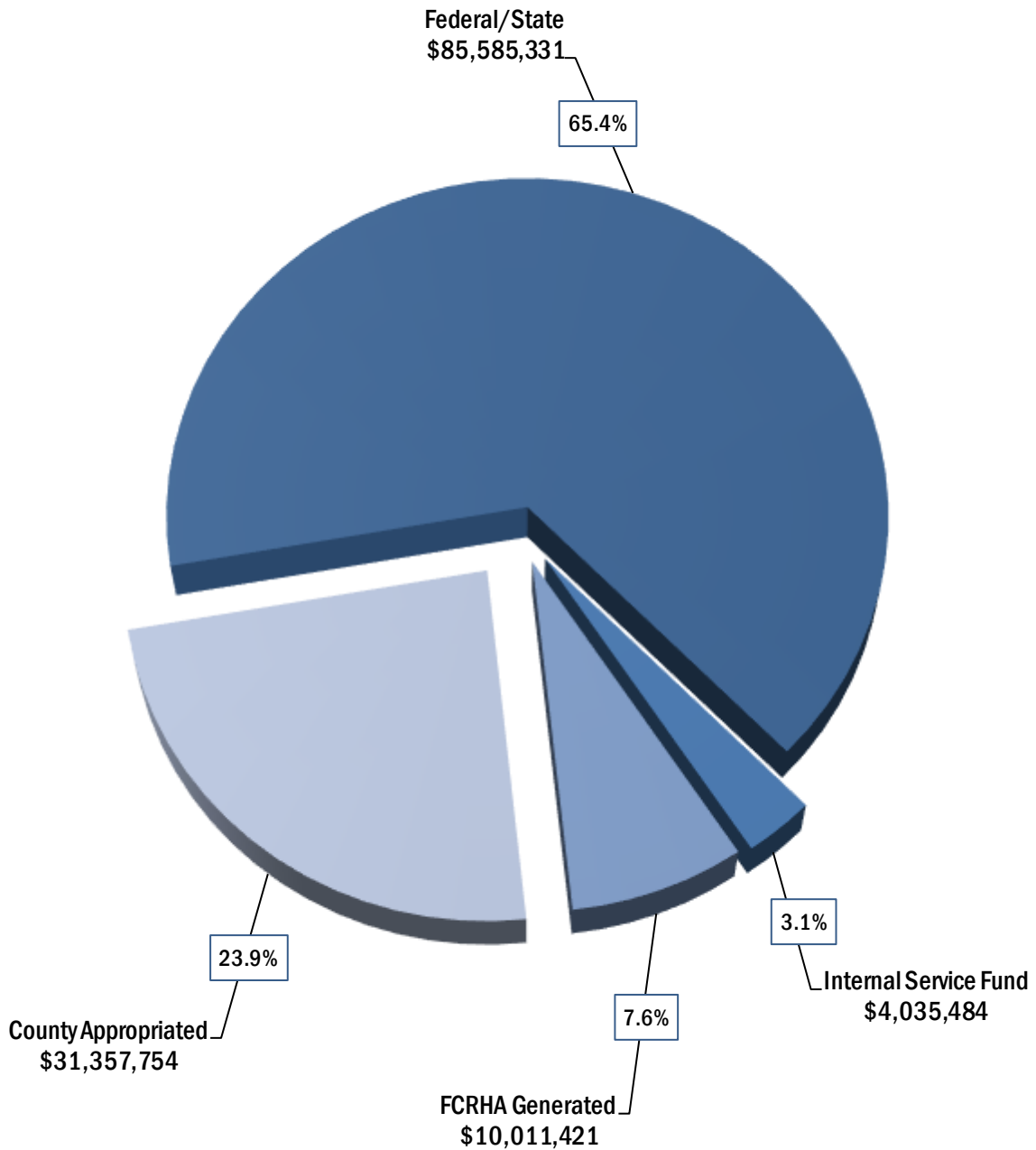
## HOUSING PROGRAMS FY 2019 SOURCE OF FUNDS



**TOTAL REVENUES = \$130,831,528**

# Housing and Community Development Program Overview

## HOUSING PROGRAMS FY 2019 EXPENDITURES



**TOTAL EXPENDITURES = \$130,989,990**

# Housing and Community Development Program Overview

## Budget and Staff Resources

### Program Area Summary by Fund

Category	FY 2017 Actual	FY 2018 Adopted Budget Plan	FY 2018 Revised Budget Plan	FY 2019 Advertised Budget Plan	FY 2019 Adopted Budget Plan
<b>FUNDING</b>					
<b>County Appropriated Funds</b>					
Operating:					
Department of Housing and Community Development	\$6,111,477	\$6,370,366	\$6,664,147	\$6,845,003	\$6,845,003
40330 Elderly Housing Programs	3,053,114	3,233,344	3,303,559	3,268,166	3,268,166
40360 Homeowner and Business Loan Programs	1,189,803	2,080,081	4,895,854	2,554,631	2,554,631
<b>Total Operating Expenditures</b>	<b>\$10,354,394</b>	<b>\$11,683,791</b>	<b>\$14,863,560</b>	<b>\$12,667,800</b>	<b>\$12,667,800</b>
Capital:					
30300 The Penny for Affordable Housing Fund	\$17,687,322	\$17,627,927	\$48,033,014	\$18,000,000	\$18,000,000
30310 Housing Assistance Program	413,105	0	6,154,629	0	0
40300 Housing Trust Fund	414,734	557,932	11,607,422	689,954	689,954
<b>Total Capital Expenditures</b>	<b>\$18,515,161</b>	<b>\$18,185,859</b>	<b>\$65,795,065</b>	<b>\$18,689,954</b>	<b>\$18,689,954</b>
<b>Total County Appropriated Fund Expenditures</b>	<b>\$28,869,555</b>	<b>\$29,869,650</b>	<b>\$80,658,625</b>	<b>\$31,357,754</b>	<b>\$31,357,754</b>
<b>Federal/State Support:</b>					
50800 Community Development Block Grant	\$5,465,299	\$4,923,230	\$9,620,824	\$4,974,689	\$4,974,689
50810 HOME Investment Partnerships Program	1,622,255	1,509,811	3,809,005	1,530,449	1,530,449
81300 RAD-Fairfax County Rental Program	227,584	2,526,026	13,373,526	10,759,999	10,759,999
81500 Housing Grants and Projects	385,739	0	1,663,006	1,300,028	1,300,028
81510 Housing Choice Voucher Program	60,995,353	63,483,502	61,915,690	67,020,166	67,020,166
81520 Public Housing Projects Under Management	9,865,088	7,718,518	0	0	0
81530 Public Housing Projects Under Modernization	1,736,453	0	0	0	0
<b>Total Federal/State Support</b>	<b>\$80,297,771</b>	<b>\$80,161,087</b>	<b>\$90,382,051</b>	<b>\$85,585,331</b>	<b>\$85,585,331</b>
<b>FCRHA Generated Funds:</b>					
81000 FCRHA General Operating	\$4,007,721	\$3,241,942	\$3,915,547	\$3,493,831	\$3,493,831
81020 Non-County Appropriated Rehabilitation Loan Program	0	0	0	0	0
81030 FCRHA Revolving Development	10,825	0	966,309	0	0
81050 FCRHA Private Financing	55,116	0	1,921,790	0	0
81060 FCRHA Internal Service	3,777,683	3,795,720	4,152,019	4,035,484	4,035,484
81100 Fairfax County Rental Program	4,390,111	4,415,023	4,475,017	4,545,048	4,545,048
81200 Housing Partnerships	1,806,105	1,933,572	2,250,747	1,972,542	1,972,542
<b>Subtotal, All FCRHA Funds</b>	<b>\$14,047,561</b>	<b>\$13,386,257</b>	<b>\$17,681,429</b>	<b>\$14,046,905</b>	<b>\$14,046,905</b>
Less:					
81060 FCRHA Internal Service	(\$3,777,683)	(\$3,795,720)	(\$4,152,019)	(\$4,035,484)	(\$4,035,484)
<b>Total, FCRHA Funds</b>	<b>\$10,269,878</b>	<b>\$9,590,537</b>	<b>\$13,529,410</b>	<b>\$10,011,421</b>	<b>\$10,011,421</b>
<b>TOTAL, ALL SOURCES (Includes 81060 FCRHA Internal Service)</b>					
	<b>\$123,214,887</b>	<b>\$123,416,994</b>	<b>\$188,722,105</b>	<b>\$130,989,990</b>	<b>\$130,989,990</b>
Less:					
81060 FCRHA Internal Service	(\$3,777,683)	(\$3,795,720)	(\$4,152,019)	(\$4,035,484)	(\$4,035,484)
<b>NET TOTAL, ALL SOURCES</b>	<b>\$119,437,204</b>	<b>\$119,621,274</b>	<b>\$184,570,086</b>	<b>\$126,954,506</b>	<b>\$126,954,506</b>
<b>AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)</b>					
Regular	117 / 117	117 / 117	166 / 166	166 / 166	166 / 166
Grant	109 / 109	109 / 109	59 / 59	59 / 59	59 / 59
<b>Total Positions</b>	<b>226 / 226</b>	<b>226 / 226</b>	<b>225 / 225</b>	<b>225 / 225</b>	<b>225 / 225</b>

Note: Funds 81020, 81030, 81520 and 81530 are closed and consolidated into existing FCRHA Funds. Fund 81020, Non-County Appropriated Rehabilitation Loan, is being consolidated into Fund 81000, FCRHA General Operating; Fund 81030, FCRHA Revolving Development, is being consolidated into Fund 81050, FCRHA Private Financing; and Funds 81520, Public Housing Projects Under Management, and 81530, Public Housing Projects Under Modernization, are being consolidated into Fund 81300, RAD-FCRP. Funds 81020, 81030, 81520 and 81530 will be closed and all assets, liabilities, and equity, including fund balances, will be transferred.

# Housing and Community Development Program Overview

<u>ORGANIZATIONAL MANAGEMENT &amp; DEVELOPMENT</u>	<u>RENTAL HOUSING PROPERTY MANAGEMENT</u>	<u>COMMUNITY/NEIGHBORHOOD IMPROVEMENT</u>
<b>General Fund</b>	<b>FCRP (Fund 81100)</b>	<b>General Fund</b>
1 Director	2 Housing/Community Developers IV	1 Deputy Director
1 Deputy Director	1 Housing/Community Developer II	1 HCD Division Director
1 HCD Division Director	1 Housing Services Specialist IV	1 Real Estate/Grant Manager
1 Finance Manager	2 Housing Services Specialists II	1 Finance Manager
2 Financial Specialists IV	1 Housing Services Specialist I	1 Housing/Community Developer V
1 Contract Analyst III	1 Assistant Supervisor Facilities Support	3 Housing/Community Developers IV
1 Management Analyst III	1 Chief Building Maintenance Section	1 Administrative Assistant IV
2 Accountants II	1 Electrician II	
1 Accountant I	1 Plumber II	<b>CDBG (Fund 50800)</b>
1 Housing/Community Developer V	1 Engineering Technician II	1 Housing/Community Developer V
1 Info. Tech. Program Manager I	1 Material Management Specialist III	3 Housing/Community Developers IV
1 Network/Telecom. Analyst III	3 General Building Maintenance Workers II	1 Accountant III
2 Network/Telecom. Analysts II	2 General Building Maintenance Workers I	1 Administrative Assistant IV
1 Human Resources Generalist II	1 Administrative Assistant V	1 Senior Maintenance Supervisor
1 Information Officer III	1 Administrative Assistant IV	2 General Building Maintenance Workers I
6 Administrative Assistants IV	1 Administrative Assistant II	
1 Administrative Assistant III	2 Human Services Assistants	<b>FCRHA (Fund 81000)</b>
1 Administrative Assistant II		1 HCD Division Director
	<b>RAD-FCRP (Fund 81300)</b>	1 Housing/Community Developer V
<b>FCRHA (Fund 81000)</b>	1 Housing/Community Developer V	3 Housing/Community Developers IV
1 HCD Division Director	1 Financial Specialist IV	
1 Housing/Community Developer IV	3 Housing Services Specialists V	<b>AFFORDABLE HOUSING FINANCE</b>
2 Financial Specialists IV	1 Financial Specialist III	<b>General Fund</b>
1 Financial Specialist III	1 Housing Services Specialist IV	1 Housing Services Specialist III
1 Accountant III	1 Housing/Community Developer III	
2 Accountants II	5 Housing Services Specialists III	<b>FCRHA (Fund 81000)</b>
1 Information Officer II	12 Housing Services Specialists II	1 Housing/Community Developer IV
1 Planning Tech II	1 Management Analyst I	
1 Administrative Assistant V	2 Housing Services Specialists I	<b>AFFORDABLE RENTAL HOUSING SUBSIDIES</b>
1 Administrative Assistant II	1 Human Services Coordinator II	<b>Housing Choice Voucher (Fund 81510)</b>
	2 Administrative Assistants IV	3 Housing Services Specialists V
<b>RENTAL HOUSING PROPERTY MANAGEMENT</b>	2 Administrative Assistants III	1 Housing Services Specialist IV
<b>General Fund</b>	1 Chief Building Maintenance Section	4 Housing Services Specialists III
3 HCD Division Directors	7 General Building Maintenance Workers II	23 Housing Services Specialists II
1 Housing Services Specialist V	4 General Building Maintenance Workers I	1 Accountant II
1 Material Management Supervisor	1 Locksmith II	1 Accountant I
1 Housing/Community Developer V	4 HVACs I	1 Fraud Investigator
1 Management Analyst III	1 Plumber II	3 Administrative Assistants IV
1 Housing/Community Developer III	1 Preventative Maintenance Specialist	3 Administrative Assistants III
1 Housing/Community Developer II		1 Administrative Assistant II
1 Financial Specialist I	<b>Housing Partnerships (Fund 81200)</b>	
1 Administrative Assistant IV	1 HCD Division Director	<b>GRANTS MANAGEMENT</b>
1 Administrative Assistant III	2 Housing Services Specialists II	<b>HOME Fund (50810)</b>
	1 Housing Services Specialist I	1 Housing/Community Developer IV
<b>Elderly Housing Programs (Fund 40330)</b>	1 HVAC II	1 Housing Services Specialist II
1 Director of Senior Housing	1 General Building Maintenance Worker II	
1 Trades Supervisor	1 Plumber I	<b>FCRHA (Fund 81000)</b>
1 Housing Services Specialist III		1 Housing/Community Developer IV
1 Housing Services Specialist II	<b>HOMEOWNERSHIP PROGRAM</b>	1 Housing/Community Developer III
1 Housing Services Specialist I	<b>CDBG (Fund 50800)</b>	
1 Electrician II	1 Housing Services Specialist IV	<b>Housing Grants and Projects (Fund 81500)</b>
2 Facility Attendants II	3 Housing/Community Developers II	1 Housing Services Specialist III
1 Maintenance Trade Helper II	1 Administrative Assistant IV	1 Housing Services Specialist II
<b>FCRHA (Fund 81000)</b>	<b>FCRHA (Fund 81000)</b>	
1 Housing Services Specialist IV	1 HCD Division Director	
1 Housing/Community Developer III	2 Housing/Community Developers III	
1 Administrative Assistant III		
1 Administrative Assistant II		
<b>TOTAL POSITIONS</b>		
<b>166 Regular Positions / 166.0 Regular FTE</b>		
<b>59 Grant Positions / 59.0 Grant FTE in Funds 50800, 50810, 81500 and 81510</b>		



# Housing and Community Development Program Overview

## Housing Fund Structure

### County General Fund

- Fund 10001, General Operating - This fund supports positions in Agency 38, HCD, and provides limited support for expenses such as administrative and maintenance staff costs, as well as a portion of condominium fees for certain FCRHA-owned units, limited partnership real estate taxes, and building maintenance.

### FCRHA General Operating

- Fund 81000, FCRHA General Operating - This fund includes all FCRHA revenues generated by rental income, financing fees earned from issuance of bonds, monitoring and service fees charged to developers, investment income, project reimbursements, consultant fees, ground rents on land leased to developers and office space leased to County agencies. Revenues support operating expenses for the administration of the private activity bonds, Home Improvement Loan Program (HILP) loan processing staff and other administrative costs, which crosscut all programs and activities managed by the FCRHA. In FY 2019, Fund 81020, FCRHA Non-County Appropriated Rehabilitation Loan Program is closed, and fund balances and revenues from Fund 81020 are consolidated into Fund 81000.

### Capital Projects

These funds provide County support for both affordable housing and limited community revitalization capital projects

- Fund 30300, The Penny for Affordable Housing Fund - Designed to provide funds to quickly and significantly impact the availability of affordable housing in the County within established criteria. Fund 30300 also supports the Bridging Affordability program.
- Fund 30310, Housing Assistance Program - Supports residential improvement and repair projects, including staff resources, marketing, consultant services and capitalized projects.

### Special Revenue Funds

These funds include housing programs which have a variety of sources of revenue, including rental income, federal or state support, bank funds, or proffered contributions.

- Fund 40300, Housing Trust Fund - Utilizes proffered contributions from private developers, County contributions, and investment earnings to encourage the preservation, development, and redevelopment of affordable housing by the FCRHA, non-profit sponsors, and the private sector.
- Fund 40330, Elderly Housing Programs - Supports the operation of FCRHA-owned affordable housing for the low- and moderate-income elderly of the County.
- Fund 40360, Homeowner and Business Loan Programs Fund - Supports homeowner assistance such as the Moderate Income Direct Sales Program and aids homeowners in the purchase of homes. Due to the current economic conditions, high administrative cost and low demand for the program, the Small and Minority Business Loan Program has been discontinued in FY 2019.
- Fund 50800, Community Development Block Grant (CDBG) - Federal grant that is used to conserve and upgrade neighborhoods through the provision of public facilities, support for community services and stimulation of development of low- and moderate-income housing.

# Housing and Community Development Program Overview

- Fund 50810, HOME Investment Partnerships Program (HOME) - Federal grant program that supports provision of affordable housing through acquisition, rehabilitation, new construction, and tenant-based rental assistance.

## **FCRHA Development Support**

- Fund 81020, Non-County Appropriated Rehabilitation Loan Program - Closed in FY 2019. It represented funds raised from private sources for the rehabilitation and upgrading of housing, and works in conjunction with County-appropriated funds in the CDBG and the Homeowner and Business Loan Program funds. Outstanding loan balances and fund balances from Fund 81020 are consolidated in Fund 81000, FCRHA Operating.
- Fund 81030, FCRHA Revolving Development - Closed in FY 2019. It provided development support for proposed new FCRHA projects and provided temporary advances for architectural and engineering plans, studies, or fees which were later reimbursed to the FCRHA from federal, state, County, or private funds at a later date. Funding for capital improvement projects to existing FCRP units is also provided. Reimbursements and fund balances from Fund 81030 are consolidated into Fund 81050, Private Financing.
- Fund 81050, FCRHA Private Financing - Used to budget and report costs for two types of funds: those borrowed by the FCRHA from private lenders and other sources, and funds for FCRHA projects which are generated through the sale of FCRHA bonds.

## **FCRHA Internal Service Fund**

- Fund 81060, FCRHA Internal Service Fund - Established in FY 1998 to charge for goods and services that are shared among several housing funds. These costs include items such as office supplies, telephones, postage, copying, insurance, and audits which have been budgeted and paid from one of the FCRHA's funds and then allocated to the other funds proportionate to their share of the costs. The fund allows one contract to be established for goods and services, as opposed to multiple contracts in various funds.

## **Local Rental Housing Program**

- Fund 81100, Fairfax County Rental Program (FCRP) - Covers the operation of housing developments that are owned or managed by the FCRHA, other than federally-assisted public housing and certain County-supported rental housing. This includes operating costs for the FCRP units, the Woodley Hills Estates manufactured housing development, and projects regulated by the VHDA, including group homes for people with physical or developmental disabilities. These latter units are owned and maintained by FCRHA while programs for the residents are administered by the Fairfax-Falls Church Community Services Board (CSB).
- Fund 81200, FCRHA Housing Partnerships - Established in FY 2002 to budget and account for revenue and expenditures related to the housing developments owned by partnerships between the FCRHA and private investors. Financial records for these partnerships are maintained separately from the County's financial systems to meet accounting and reporting requirements, but are included in the consolidated audit. Positions and associated administrative costs supporting the program are reflected in Fund 81200 and other FCRHA funds where activities crosscut housing programs.

# Housing and Community Development Program Overview

- Fund 81300, Rental Assistance Demonstration (RAD) – Fairfax County Rental Program (FCRP) - Established in FY 2017 and is a local rental housing program that evolved from HUD's RAD initiative, which allows the conversion of traditional Public Housing units to a Housing Choice Voucher (HCV) Project-Based Voucher subsidy platform.

## **FCRHA Grants and Projects Fund**

- Fund 81500, Housing Grants and Projects - Established in FY 2000 to administer grants awarded to the FCRHA.

## **Federal Section 8 Rental Assistance**

- Fund 81510, Housing Choice Voucher (HCV) Program - Provides federal housing rental assistance to families with low incomes to assist them in leasing housing in the private marketplace. A portion of rent payments is provided by HUD, through HCD, and is calculated under various formulas, incorporating family income and the fair market rent for various types of housing in the Washington Metropolitan Area. The FCRHA administers the program, providing rental vouchers to eligible participants and rental subsidies to certain housing developments.

## **Public Housing Program**

These funds represent the Federal Public Housing Program that supports the operation, modernization, or acquisition of rental housing to be owned and operated by local housing authorities such as the FCRHA. The Program had been divided into two separate components: projects in operation in Fund 81520, Public Housing Projects Under Management, and modernization of existing public housing units in Fund 81530, Public Housing Projects Under Modernization. Due to the conversion of public housing units to RAD, Funds 81520 and 81530 are closed and consolidated into Fund 81300 in FY 2019.

- Fund 81520, Public Housing Projects Under Management
- Fund 81530, Public Housing Projects Under Modernization