

# Housing and Community Development Program Overview



## Introduction

The Housing Overview 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. 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 2020. 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 overview. Of the 16 funds administered by HCD, eight are appropriated by the Fairfax County Board of Supervisors and eight are non-appropriated funds allocated by the FCRHA. 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 FCRHA in partnership with private investors. Separate financial records are maintained for these developments. It should be noted that the FY 2020 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 2020 anticipated expenditures supporting HCD and FCRHA activities total \$138,800,317, including \$9,386,902 in General Fund support, \$30,715,571 in other County appropriated funds, and \$98,697,844 in Non-County appropriated funds. The FY 2020 Adopted Budget Plan reflects an increase of \$7.8 million, or 6 percent, over the FY 2019 Adopted Budget Plan. This increase is primarily attributable to an increase in the Housing Choice Voucher Program associated with full year funding for the 1,060 Public Housing units that converted to RAD and 141 Project-Based Vouchers for Culpepper Gardens (see Fund 81510, Housing Choice Voucher). Total revenue for FY 2020 is anticipated to be \$135,571,486, including federal/state sources of \$77,218,965, or 57 percent of the total. More detailed descriptions of FY 2020 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.

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## 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).

In 2018, the Fairfax County Board of Supervisors approved the Community Housing Strategic Plan Phase 1 which established twenty-five strategies to start the process for expanding housing options for future and current County residents and workers. The Phase 1 Report identified a projected need over the next 15 years of more than 62,000 new housing units at all income levels, including almost 20,000 new units for families earning below 80 percent of AMI. With the stagnation of federal funding for affordable housing development over the last several years, the burden to produce and preserve enough housing to meet the significant need will fall to Fairfax County. In addition, the Fairfax County Board of Supervisors directed staff to develop Phase 2 recommendations for the number of housing units that should be developed over the next 15 years, as well as the funding needed and other creative solutions to be used to deliver those units.

### Preservation

Over the past several years, a total of 3,016 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 2018, the FCRHA owns or operates 82 properties, which are comprised of over 3,800 apartments, townhouses, senior retirement homes, assisted living facilities, and specialized housing units.

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## 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.

## 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 percent of the AMI. Through FY 2018, a total of 8,410 Workforce Dwelling Units (WDUs) have been committed by private developers in rezoning actions approved by the Board of Supervisors, of which 1,195 rental workforce units have been constructed. In addition, in FY 2018, a total of four homeownership WDUs were constructed.

### 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*

## 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 2018, 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), Oakwood (Lee District), Little River Glen IV (Braddock District) and One University (Braddock District). Many of the development projects are

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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 2018, 130 households were served.

## **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 Rental Assistance Demonstration (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 – Project-Based Voucher (PBV) and Fund 81510, Housing Choice Voucher (HCV). In FY 2018, the average income of households served in FCRHA’s major multifamily affordable rental housing and tenant subsidy programs was approximately \$26,100, or 25 percent of the AMI for a family of three (the average household size in these programs). This meets the United States Department of Housing and Urban Development (HUD) definition of extremely low income. A total of 18,096 individuals were housed through HCV, RAD and the FCRP programs in FY 2018. As a Moving to Work (MTW) Public Housing Authority, the FCRHA is granted flexibility to test innovative, locally-designed strategies to improve cost-effectiveness and help families achieve self-sufficiency.

## 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 HUD Rental Assistance Demonstration 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.

## 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.

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## **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 2018, a total of 541 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 (RAD – Project-Based Vouchers or Housing Choice Vouchers). The average income of all households served by the Bridging Affordability program in FY 2018 was \$26,455, or approximately 25 percent of AMI for a family of three. 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. As part of the Communitywide Housing Strategic Plan, HCD and other County Partners, including the Office to Prevent and End Homelessness (OPEH), will work collaboratively to ensure the Bridging Affordability Program is serving those with the greatest need.

### PROGRESS Center

In September 2010, HCD established the Partnership for Resident Opportunities, Growth, Resources and Economic Self Sufficiency (PROGRESS) Center. Staff at the Center address client issues that can range from job loss to health 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. In addition to service coordination, the PROGRESS Center also administers the Family Self-Sufficiency Program (FSS), each year receiving grant funding for two FSS case managers from HUD. This program provides self-sufficiency case management to residents and assists them with building an escrow account to be used once they graduate.

## **Homeownership and Relocation Services**

HCD helps families with low- and moderate-incomes invest in Fairfax County by becoming homeowners. Many renters in FCRHA-owned properties or programs are able to move along the housing continuum to affordable homeownership. From there, many eventually move onto market rate homeownership. This frees up affordable rental housing for others in the housing continuum. HCD ensures compliance with County and federal programs and requirements.

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## 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. Fairfax County and the FCRHA have been providing affordable homeownership opportunities since 1988. Article 2, Part 8 of the Fairfax County Zoning Ordinance, the Affordable Dwelling Unit (ADU) Program, became effective July 31, 1990 and was last amended on March 27, 2007. The Fairfax County Board of Supervisors adopted its Workforce Dwelling Unit Administrative Policy Guidelines (Countywide WDU Policy) and its Tysons WDU Administrative Policy Guidelines (Tysons WDU Policy; collectively, the WDU Policy) in 2007. The first for-sale WDUs became available in 2018. 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).

In FY 2018, a total of 8,857 households were served through the Homeownership Resource Center. Also, in FY 2018, 1,439 FTHB 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. Additionally, staff 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 FTHB.

## 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," and the FCRHA goal to "preserve, expand and facilitate affordable housing opportunities in Fairfax County." These goals 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.

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## Affordable Housing Preservation

To preserve 3,216 units of affordable housing by the end of fiscal year 2020 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 2016 Actual	FY 2017 Actual	FY 2018 Estimate/Actual	FY 2019	FY 2020
<b>Output:</b>					
Number of affordable housing units preserved	29	214	100/16	100	100
<b>Efficiency:</b>					
Amount of General County funds per affordable housing unit preserved	\$0	\$42,890	\$40,000/\$0	\$40,000	\$40,000
<b>Service Quality:</b>					
Amount of funds leveraged per \$1 of County funds for units preserved	NA	\$4	\$3/NA	\$3	\$3
<b>Outcome:</b>					
Cumulative number of affordable units preserved since April 2004	2,786	3,000	3,100/3,016	3,116	3,216

### Performance Measurement Results

In FY 2018, a total of 16 affordable units were preserved, falling well short of the estimate of 100 units preserved, and bringing the cumulative number of affordable units preserved to 3,016, also falling short of the goal of 3,100 units. Regarding the measures for amount of General County funds expended per affordable housing unit preserved and the amount of funds leveraged per \$1 of County Funds for units preserved, no County funds were expended in the preservation of the 16 affordable units, while \$2.3 million in non-County funds were utilized.

## 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 2016 Actual	FY 2017 Actual	FY 2018 Estimate/Actual	FY 2019	FY 2020
<b>Output:</b>					
Individuals housed	5,530	5,307	5,725/5,716	5,725	5,725
Number of units in program <sup>1</sup>	2,097	2,106	2,111/2,109	2,111	2,111
<b>Efficiency:</b>					
Average income served as a percentage of Area Median Income	37%	34%	40%/36%	40%	40%
<b>Service Quality:</b>					
Percent on-time re-certifications <sup>2</sup>	96%	95%	95%/92%	95%	95%
<b>Outcome:</b>					
Occupancy rate	94%	94%	95%/98%	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 2018, there were 2,109 housing units in FCRP and 5,716 individuals were housed. The occupancy rate was 98 percent, exceeding 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 \$38,226, or 36 percent of the Area Median Income (AMI) 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-two percent of re-certifications, excluding active senior properties, were conducted on-time, slightly below the target.

## Housing Choice Voucher and RAD-PBV

To obtain a funding utilization rate of 98 percent or higher for the federal Housing Choice Voucher (HCV) and Rental Assistance Demonstration-Project-Based Voucher (RAD-PBV) programs.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate/Actual	FY 2019	FY 2020
<b>Output:</b>					
Individuals housed <sup>1</sup>	N/A	N/A	12,280/12,380	12,480	12,480
HCV	9,917	9,541	N/A	N/A	N/A
RAD-PBV <sup>2</sup>	2,762	2,651	N/A	N/A	N/A
<b>Efficiency:</b>					
Average income served as a percentage of Area Median Income <sup>1</sup>	N/A	N/A	30%/19%	20%	25%
HCV	18%	17%	N/A	N/A	N/A
RAD-PBV	22%	20%	N/A	N/A	N/A
<b>Service Quality:</b>					
Percent on-time inspections <sup>1</sup>	N/A	N/A	95%/100%	95%	95%
HCV	100%	100%	N/A	N/A	N/A
RAD-PBV	100%	100%	N/A	N/A	N/A
Percent on-time re-certifications <sup>1</sup>	N/A	N/A	95%/98%	95%	95%
HCV	100%	100%	N/A	N/A	N/A
RAD-PBV	97%	100%	N/A	N/A	N/A
<b>Outcome:</b>					
Voucher funding utilization rate <sup>2,3</sup>	N/A	N/A	98%/93%	98%	98%
HCV	102%	99.7%	N/A	N/A	N/A

<sup>1</sup> Beginning in FY 2018, the data for the HCV and RAD-PBV programs are shown as combined. In previous years these measures were separated, as RAD-PBV was formerly Public Housing before the conversion in FY 2018. With the conversion from Public Housing to RAD, the funding for project-based vouchers is received from the Housing Choice Voucher Grant and therefore supports both programs.

<sup>2</sup> For FY 2016, these units were reported as Public Housing and in FY 2017, these units were reported as RAD-FCRP. Beginning in FY 2018, these units will be reported as RAD-PBV.

<sup>3</sup> Due to the anticipated federal budget cuts in FY 2018, the FCRHA took measures to decrease the HCV program size to ensure that families that were currently on the program would not be terminated due to insufficient funding. These measures included the cessation of all voucher leasing activities. The anticipated cuts did not materialize, resulting in more funding than anticipated, to which the decrease in funding utilization can be attributed. The FCRHA has resumed leasing in the HCV program in FY 2019.



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## *Performance Measurement Results*

The HCV and RAD-PBV programs exceeded the target for FY 2018, housing 12,380 individuals with an average household income of \$20,531. This income level is approximately 19 percent of the Area Median Income (AMI) for a family of three, thereby meeting the HUD definition of extremely low-income. Efficiency and Service Quality program targets were met and surpassed in FY 2018 with the exception of on-time certifications. The voucher funding utilization rate fell below its target for FY 2018 due to anticipated program cuts, resulting in a freeze in HCV leasing activities for FY 2018.

## 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 2016 Actual	FY 2017 Actual	FY 2018 Estimate/Actual	FY 2019	FY 2020
<b>Output:</b>					
Assisted Living clients housed <sup>1</sup>	110	111	110/112	112	112
Independent Living individuals housed <sup>2</sup>	504	482	480/482	482	482
<b>Efficiency:</b>					
Assisted Living cost per client <sup>3</sup>	\$31,998	\$32,432	\$34,000/\$33,482	\$34,000	\$34,500
Independent Living cost per client	\$10,144	\$10,560	\$11,500/\$11,776	\$12,500	\$12,500
<b>Service Quality:</b>					
Assisted Living occupancy rate	98%	99%	98%/100%	99%	99%
Independent Living occupancy rate	100%	100%	98%/100%	98%	98%
<b>Outcome:</b>					
Assisted Living overall customer satisfaction rating	96%	96%	96%/95%	96%	96%
Independent Living overall customer satisfaction rating	99%	98%	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*

A total of 112 individuals, exceeding the target of 110, were housed at two assisted living developments with 112 beds (Braddock Glen and the Lincolnia Senior Center and Residence), achieving a 100 percent occupancy rate with 95 percent satisfaction. The FY 2018 Assisted Living cost per client of \$33,482 and customer satisfaction rating were both slightly below the target.

Independent Living programs met or exceeded all targets for FY 2018. A total of 482 individuals were housed, and the cost per client was \$11,776. 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 2018. 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 2016 Actual	FY 2017 Actual	FY 2018 Estimate/Actual	FY 2019	FY 2020
<b>Output:</b>					
Total First-Time Homebuyer (FTHB) units <sup>1</sup>	1,395	1,448	1,295/1,439	1,295	1,295
First-time homebuyers	18	10	10/27	30	30
FTHB households participating in the program	855	871	800/608	800	800
Number of families served through marketing and counseling efforts	6,025	7,474	6,000/8,857	6,000	6,000
<b>Efficiency:</b>					
Cost per FTHB participant	\$203	\$182	\$205/\$258	\$300	\$300
Average income of new first-time homebuyers	\$48,752	\$49,706	\$55,000/\$49,667	\$55,000	\$55,000
<b>Service Quality:</b>					
Participant satisfaction survey scores	100%	100%	95%/100%	95%	95%
<b>Outcome:</b>					
Assessment rating	94%	94%	95%/95%	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 2018, the total number of First-Time Homebuyer (FTHB) units and the number of families served through marketing and counseling efforts exceeded estimates. Twenty-seven first-time homebuyers achieved homeownership with assistance from HCD programs, nearly tripling the total in FY 2017. The cost per FTHB participant was \$258, which did not meet the goal of \$205 or less, but the average income of new first-time homebuyers was \$49,667, 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 95 percent, meeting the target.

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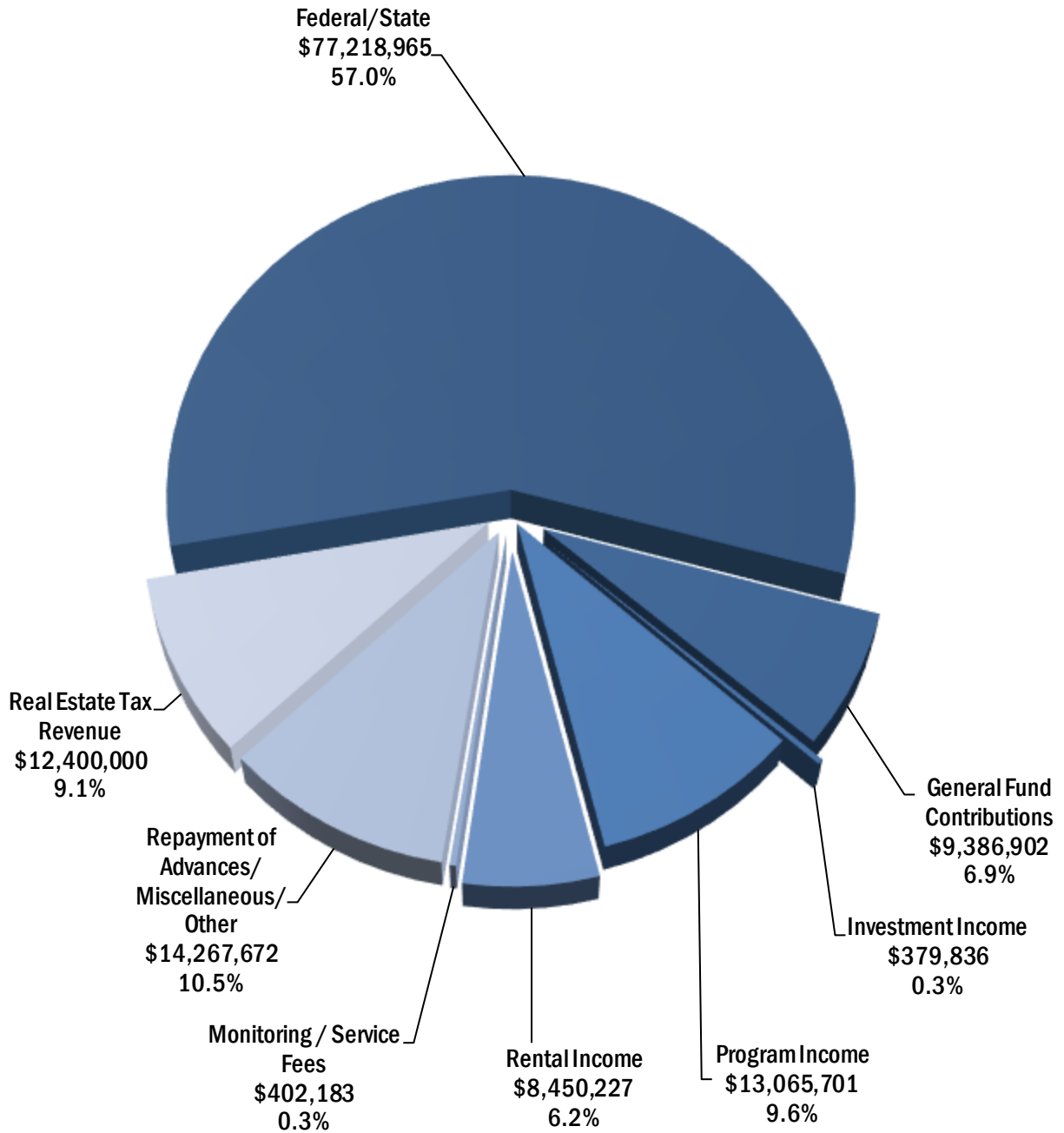
## CONSOLIDATED FUND STATEMENT

	FY 2018 Actual	FY 2019 Adopted Budget Plan	FY 2019 Revised Budget Plan	FY 2020 Advertised Budget Plan	FY 2020 Adopted Budget Plan
<b>Beginning Balance</b>	<b>\$96,578,188</b>	<b>\$39,110,855</b>	<b>\$101,461,968</b>	<b>\$46,767,731</b>	<b>\$49,431,514</b>
Revenue:					
Federal/State	\$67,578,051	\$71,516,615	\$91,344,671	\$77,218,965	\$77,218,965
General Fund Contributions	8,253,354	8,707,725	13,895,891	9,181,697	9,386,902
Program Income	27,820,108	24,134,535	20,674,487	21,515,928	13,065,701
Rental Income	0	0	0	0	8,450,227
Investment Income	518,460	299,396	299,396	379,836	379,836
Monitoring/Service Fees	301,696	404,289	404,289	402,183	402,183
Proffered Contributions	835,439	0	0	0	0
Real Estate Tax Revenue	11,900,000	12,200,000	12,300,000	12,400,000	12,400,000
Miscellaneous/Other	19,126,489	13,568,968	41,090,604	14,261,000	14,267,672
<b>Total Revenue</b>	<b>\$136,333,597</b>	<b>\$130,831,528</b>	<b>\$180,009,338</b>	<b>\$135,359,609</b>	<b>\$135,571,486</b>
<b>Total Available</b>	<b>\$232,911,785</b>	<b>\$169,942,383</b>	<b>\$281,471,306</b>	<b>\$182,127,340</b>	<b>\$185,003,000</b>
Expenditures: <sup>1</sup>					
Personnel Services	\$18,659,022	\$19,319,995	\$19,021,595	\$19,816,515	\$20,155,659
Operating Expenses	81,915,491	85,828,473	92,913,171	89,576,667	89,576,667
Capital Equipment	341,316	0	255,842	0	0
Grant Projects	8,539,097	7,805,166	21,924,100	9,273,324	9,273,324
Capital Projects	22,498,285	18,689,954	98,578,682	20,448,265	20,448,265
Recovered Costs	(503,394)	(653,598)	(653,598)	(653,598)	(653,598)
<b>Total Expenditures</b>	<b>\$131,449,817</b>	<b>\$130,989,990</b>	<b>\$232,039,792</b>	<b>\$138,461,173</b>	<b>\$138,800,317</b>
<b>Total Disbursements</b>	<b>\$131,449,817</b>	<b>\$130,989,990</b>	<b>\$232,039,792</b>	<b>\$138,461,173</b>	<b>\$138,800,317</b>
<b>Ending Balance</b>	<b>\$101,461,968</b>	<b>\$38,952,393</b>	<b>\$49,431,514</b>	<b>\$43,666,167</b>	<b>\$46,202,683</b>

<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

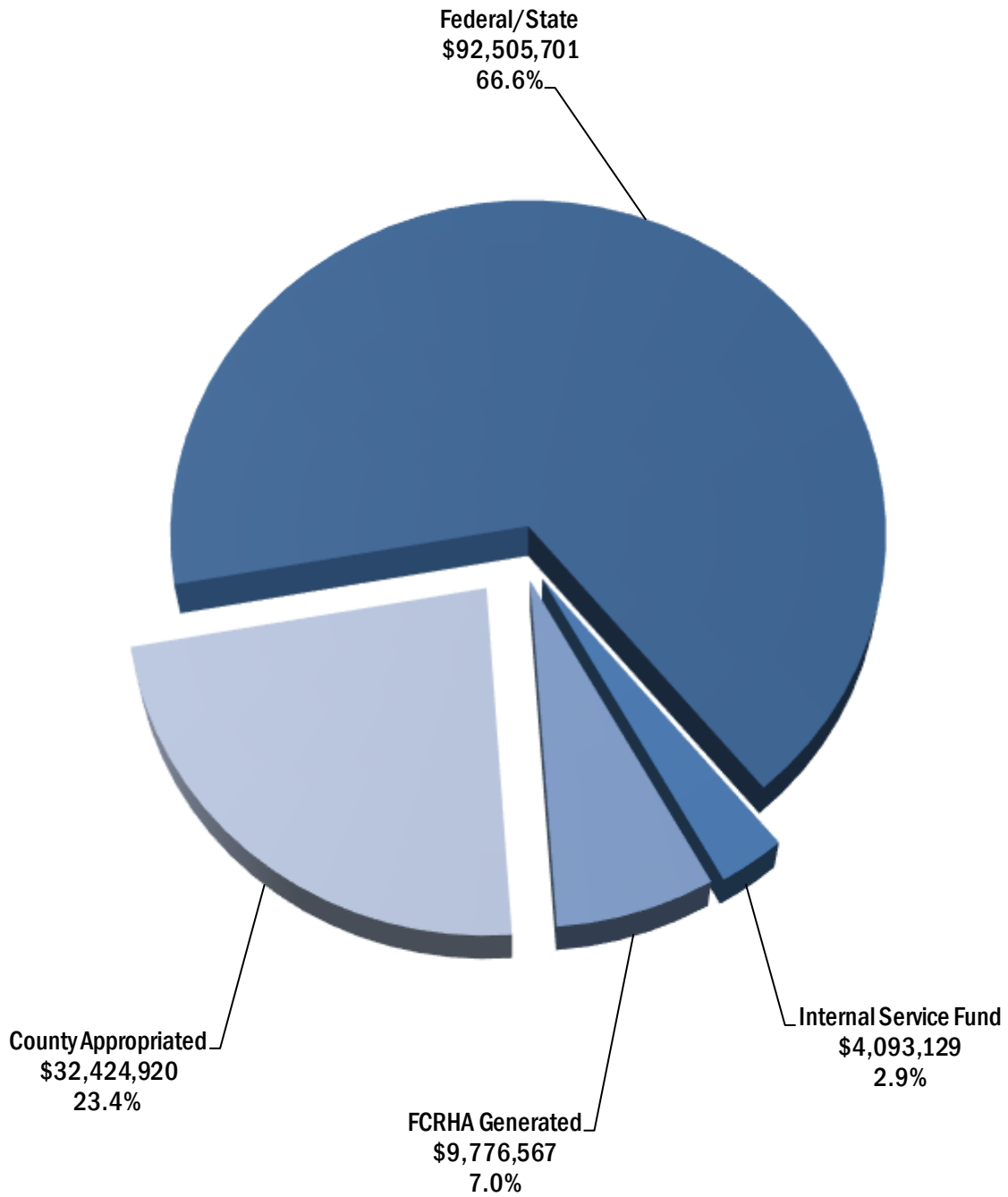
## HOUSING PROGRAMS FY 2020 SOURCE OF FUNDS



**TOTAL REVENUES = \$135,571,486**

# Housing and Community Development Program Overview

## HOUSING PROGRAMS FY 2020 EXPENDITURES



**TOTAL EXPENDITURES = \$138,800,317**

# Housing and Community Development Program Overview

## Budget and Staff Resources

### Program Area Summary by Fund

Category	FY 2018 Actual	FY 2019 Adopted Budget Plan	FY 2019 Revised Budget Plan	FY 2020 Advertised Budget Plan	FY 2020 Adopted Budget Plan
<b>FUNDING</b>					
<b>County Appropriated Funds</b>					
Operating:					
Department of Housing and Community Development	\$6,416,330	\$6,845,003	\$7,033,169	\$7,302,039	\$7,500,907
40330 Elderly Housing Programs	3,074,739	3,268,166	3,427,475	3,164,280	3,170,617
40360 Homeowner and Business Loan Programs	3,151,265	2,554,631	3,324,337	2,555,131	2,555,131
<b>Total Operating Expenditures</b>	<b>\$12,642,334</b>	<b>\$12,667,800</b>	<b>\$13,784,981</b>	<b>\$13,021,450</b>	<b>\$13,226,655</b>
Capital:					
30300 The Penny for Affordable Housing Fund	\$17,926,479	\$18,000,000	\$53,680,666	\$18,400,000	\$18,400,000
30310 Housing Assistance Program	523,751	0	5,630,878	0	0
40300 Housing Trust Fund	2,967,138	689,954	11,316,893	798,265	798,265
<b>Total Capital Expenditures</b>	<b>\$21,417,368</b>	<b>\$18,689,954</b>	<b>\$70,628,437</b>	<b>\$19,198,265</b>	<b>\$19,198,265</b>
<b>Total County Appropriated Fund Expenditures</b>	<b>\$34,059,702</b>	<b>\$31,357,754</b>	<b>\$84,413,418</b>	<b>\$32,219,715</b>	<b>\$32,424,920</b>
<b>Federal/State Support:</b>					
50800 Community Development Block Grant	\$5,126,239	\$4,974,689	\$15,062,711	\$5,574,509	\$5,574,509
50810 HOME Investment Partnerships Program	2,696,519	1,530,449	4,967,724	2,103,044	2,103,044
81300 RAD - Project-Based Voucher	12,192,586	10,759,999	11,688,655	11,879,322	11,919,428
81500 Housing Grants and Projects	716,339	1,300,028	1,893,665	1,595,771	1,595,771
81510 Housing Choice Voucher Program	62,730,882	67,020,166	68,120,635	71,273,199	71,312,949
81520 Public Housing Projects Under Management	0	0	0	0	0
81530 Public Housing Projects Under Modernization	0	0	0	0	0
<b>Total Federal/State Support</b>	<b>\$83,462,565</b>	<b>\$85,585,331</b>	<b>\$101,733,390</b>	<b>\$92,425,845</b>	<b>\$92,505,701</b>
<b>FCRHA Generated Funds:</b>					
81000 FCRHA General Operating	\$3,710,850	\$3,493,831	\$3,762,343	\$3,366,749	\$3,396,796
81020 Non-County Appropriated Rehabilitation Loan Program	0	0	0	0	0
81030 FCRHA Revolving Development	0	0	0	0	0
81050 FCRHA Private Financing	6,285	0	2,963,371	0	0
81060 FCRHA Internal Service	3,963,084	4,035,484	4,221,195	4,093,129	4,093,129
81100 Fairfax County Rental Program	4,258,437	4,545,048	5,637,608	3,961,613	3,978,977
81200 Housing Partnerships	1,988,894	1,972,542	29,308,467	2,394,122	2,400,794
<b>Subtotal, All FCRHA Funds</b>	<b>\$13,927,550</b>	<b>\$14,046,905</b>	<b>\$45,892,984</b>	<b>\$13,815,613</b>	<b>\$13,869,696</b>
Less:					
81060 FCRHA Internal Service	(\$3,963,084)	(\$4,035,484)	(\$4,221,195)	(\$4,093,129)	(\$4,093,129)
<b>Total, FCRHA Funds</b>	<b>\$9,964,466</b>	<b>\$10,011,421</b>	<b>\$41,671,789</b>	<b>\$9,722,484</b>	<b>\$9,776,567</b>
<b>TOTAL, ALL SOURCES (Includes 81060 FCRHA Internal Service)</b>	<b>\$131,449,817</b>	<b>\$130,989,990</b>	<b>\$232,039,792</b>	<b>\$138,461,173</b>	<b>\$138,800,317</b>
Less:					
81060 FCRHA Internal Service	(\$3,963,084)	(\$4,035,484)	(\$4,221,195)	(\$4,093,129)	(\$4,093,129)
<b>NET TOTAL, ALL SOURCES</b>	<b>\$127,486,733</b>	<b>\$126,954,506</b>	<b>\$227,818,597</b>	<b>\$134,368,044</b>	<b>\$134,707,188</b>
<b>AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)</b>					
Regular	166 / 166	166 / 166	163 / 163	163 / 163	164 / 164
Grant	59 / 59	59 / 59	62 / 62	62 / 62	62 / 62
<b>Total Positions</b>	<b>225 / 225</b>	<b>225 / 225</b>	<b>225 / 225</b>	<b>225 / 225</b>	<b>226 / 226</b>

Note: Funds 81020, 81030, 81520 and 81530 were closed and consolidated into existing FCRHA Funds. Fund 81020, Non-County Appropriated Rehabilitation Loan, was consolidated into Fund 81000, FCRHA General Operating; Fund 81030, FCRHA Revolving Development, was consolidated into Fund 81050, FCRHA Private Financing; and Funds 81520, Public Housing Projects Under Management, and 81530, Public Housing Projects Under Modernization, were consolidated into Fund 81300, RAD – Project-Based Voucher. Funds 81020, 81030, 81520 and 81530 were closed and all assets, liabilities, and equity, including fund balances, were 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	3 Housing Services Specialists II	1 Finance Manager
1 Affordable Housing Policy Coordinator	1 Housing Services Specialist I	1 Housing/Community Developer V
3 Financial Specialists IV	1 Assistant Supervisor Facilities Support	3 Housing/Community Developers IV
1 Contract Analyst III	1 Chief Building Maintenance Section	1 Administrative Assistant IV
1 Management Analyst III	1 Electrician II	
2 Accountants II	1 Plumber II	<b>CDBG (Fund 50800)</b>
1 Accountant I	1 Engineering Technician II	1 Housing/Community Developer V
1 Housing/Community Developer V	1 Material Management Specialist III	3 Housing/Community Developers IV
1 Housing Services Specialist III	3 General Building Maintenance Workers II	1 Accountant III
1 Info. Tech. Program Manager I	2 General Building Maintenance Workers I	1 Administrative Assistant IV
1 Network/Telecom. Analyst III	2 Administrative Assistants IV	1 Senior Maintenance Supervisor
2 Network/Telecom. Analysts II	1 Administrative Assistant II	2 General Building Maintenance Workers I
1 Human Resources Generalist II	2 Human Services Assistants	
1 Information Officer III		<b>FCRHA (Fund 81000)</b>
6 Administrative Assistants IV	<b>RAD – Project-Based Voucher (Fund 81300)</b>	1 HCD Division Director
1 Administrative Assistant III	2 Housing Services Specialists V	1 Housing/Community Developer V
1 Administrative Assistant II	1 Financial Specialist III	3 Housing/Community Developers IV
	1 Housing Services Specialist IV	1 Planning Tech II
<b>FCRHA (Fund 81000)</b>	1 Housing/Community Developer III	
1 HCD Division Director	5 Housing Services Specialists III	<b>AFFORDABLE RENTAL HOUSING SUBSIDIES</b>
1 Housing/Community Developer IV	11 Housing Services Specialists II	<b>Housing Choice Voucher (Fund 81510)</b>
2 Financial Specialists IV	1 Management Analyst I	1 Housing/Community Developer V
1 Accountant III	2 Housing Services Specialists I	4 Housing Services Specialists V
2 Accountants II	1 Human Services Coordinator II	1 Housing Services Specialist IV
1 Information Officers II	2 Administrative Assistants IV	4 Housing Services Specialists III
1 Administrative Assistant V	3 Administrative Assistants III	23 Housing Services Specialists II
1 Administrative Assistant II	1 Chief Building Maintenance Section	1 Management Analyst III
	7 General Building Maintenance Workers II	2 Financial Specialists III
<b>RENTAL HOUSING PROPERTY MANAGEMENT</b>	4 General Building Maintenance Workers I	1 Accountant I
<b>General Fund</b>	1 Locksmith II	1 Fraud Investigator
3 HCD Division Directors	4 HVACs I	3 Administrative Assistants IV
1 Housing Services Specialist V	1 Plumber II	2 Administrative Assistants III
1 Material Management Supervisor	1 Preventative Maintenance Specialist	1 Administrative Assistant II
1 Housing/Community Developer V		
1 Housing/Community Developer III	<b>Housing Partnerships (Fund 81200)</b>	<b>GRANTS MANAGEMENT</b>
1 Housing/Community Developer II	1 HCD Division Director	<b>HOME Fund (50810)</b>
1 Financial Specialist I	2 Housing Services Specialists II	1 Housing/Community Developer IV
1 Administrative Assistant IV	1 Housing Services Specialist I	1 Housing Services Specialist II
1 Administrative Assistant III	1 HVAC II	
	1 General Building Maintenance Worker II	<b>FCRHA (Fund 81000)</b>
<b>Elderly Housing Programs (Fund 40330)</b>	1 Plumber I	1 Housing/Community Developer IV
1 Director of Senior Housing		
1 Trades Supervisor	<b>HOMEOWNERSHIP PROGRAM</b>	<b>Housing Grants and Projects (Fund 81500)</b>
1 Housing Services Specialist III	<b>CDBG (Fund 50800)</b>	1 Housing Services Specialist III
1 Housing Services Specialist II	1 Housing Services Specialist IV	1 Housing Services Specialist II
1 Housing Services Specialist I	3 Housing/Community Developers II	
1 Electrician II	1 Administrative Assistant IV	<b>AFFORDABLE HOUSING FINANCE</b>
2 Facility Attendants II		<b>FCRHA (Fund 81000)</b>
1 Maintenance Trade Helper II	<b>FCRHA (Fund 81000)</b>	1 Housing/Community Developer IV
	1 HCD Division Director	1 Housing/Community Developer III
<b>FCRHA (Fund 81000)</b>	2 Housing/Community Developers III	
1 Housing Services Specialist IV		
1 Housing/Community Developer III		
1 Administrative Assistant III		
1 Administrative Assistant II		
<b>TOTAL POSITIONS</b>		
164 Regular Positions / 164.0 Regular FTE		
62 Grant Positions / 62.0 Grant FTE in Funds 50800, 50810, 81500 and 81510		

# 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 2018, Fund 81020, FCRHA Non-County Appropriated Rehabilitation Loan Program was closed, and fund balances and revenues from Fund 81020 were 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.
- 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 2018. 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 were consolidated in Fund 81000, FCRHA General Operating.
- Fund 81030, FCRHA Revolving Development - Closed in FY 2018. 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 were consolidated into Fund 81050, FCRHA 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 Virginia Housing Development Authority (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) – Project-Based Voucher (PBV) - 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 were closed and consolidated into Fund 81300, RAD – Project-Based Voucher in FY 2018.

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