

Fund 81100: Fairfax County Rental Program

Mission To manage affordable rental housing acquired by the Fairfax County Redevelopment and Housing Authority (FCRHA) and to maintain and preserve the units for long-term rental availability.

Focus Fund 81100, Fairfax County Rental Program (FCRP) is a local rental housing program developed and managed by the Department of Housing and Community Development (HCD) for the FCRHA. The FCRP is designed to provide affordable rental housing in the County for low- and moderate-income families. The FCRP includes projects developed by the FCRHA and other privately developed or rehabilitated housing units acquired by the FCRHA or Fairfax County. In FY 2021, Fund 81100, FCRP, will support a total of 1,484 units consisting of multi-family rental properties, senior independent units, and specialized units and beds in FCRHA-owned group homes that are internally or third-party managed.

The operation of this program is primarily supported by tenant rents, and the County's General Fund is also charged directly for payments in support of condominium fees. In addition, debt service contributions are received from Fund 40330, Elderly Housing Programs, to provide support for the debt service costs of Little River Glen, an elderly housing development owned by the FCRHA. Accounting procedures require that the debt service for this project be paid out of Fund 81100, FCRP, although the operating costs are reflected in Fund 40330, Elderly Housing Programs.

In addition, HCD staff administers contracts between the FCRHA and private firms hired to manage Crescent Apartments, Hopkins Glen, Little River Square, Mt. Vernon Gardens, and Wedgewood Apartments. In FY 2020, an additional 54 scattered sites were contracted to third-party private firms for management of these properties. Therefore, in total, 1,145 units are contracted to third-party management. In addition, there are 62 units of group homes that belong to FCRP but are managed by the Fairfax-Falls Church Community Services Board (CSB). For FY 2021, 277 units will be internally managed of the 1,484 total FCRP units. There are no anticipated unit transitions to third-party management in FY 2021.

The following charts summarize the total number of units in the Rental Program and Group Homes in FY 2021 and the projected operating costs associated with the units:

| Project Name | Units | FY 2021 Budget | District |
|---|-------|----------------|-------------|
| Cedar Lakes | 3 | \$69,187 | Sully |
| Charleston Square | 1 | 21,458 | Springfield |
| Chatham Town | 10 | 154,598 | Braddock |
| Coan Pond (Working Singles Housing Program) | 19 | 170,997 | Providence |
| Colchester Towne | 24 | 315,893 | Lee |
| East Market | 4 | 87,803 | Springfield |
| Fair Oaks Landing | 3 | 102,383 | Springfield |
| Fairfax Ridge Condo | 1 | 19,789 | Springfield |
| Halstead | 4 | 71,040 | Providence |
| Holly Acres | 2 | 58,293 | Lee |
| Legato Corner Condominiums | 13 | 228,729 | Springfield |
| Little River Glen (Debt Service) | 0 | 547,616 | Braddock |
| Metrowest | 6 | 76,684 | Providence |
| Penderbrook | 48 | 808,838 | Providence |
| Royal Lytham Drive – ADU | 1 | 24,197 | Sully |
| Saintsbury Plaza ¹ | 6 | 89,987 | Providence |
| Westcott Ridge | 10 | 185,076 | Springfield |
| Willow Oaks | 7 | 115,212 | Sully |

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| Project Name | Units | FY 2021 Budget | District |
|-----------------------------|------------|--------------------|------------|
| Woodley Hills Estates | 115 | 542,905 | Mt. Vernon |
| Subtotal² | 277 | \$3,690,685 | |

¹ The six units at Saintsbury Plaza are age restricted and managed as senior properties. Senior independent properties, other than Saintsbury Plaza, that are directly managed by the FCRHA are reflected under Fund 40330, Elderly Housing Programs.

² In FY 2020, 54 scattered sites were contracted to third-party management companies. Those properties are reflected in the third-party managed property matrix and include: Discovery Square, Faircrest, Glenwood Mews, Island Creek, Laurel Hill, Lorton Valley, Madison Ridge, Northampton, Stockwell Manor, and Stonegate at Faircrest.

| Third-Party Managed Projects ¹ | Units | FY 2021 Budget | District |
|--|--------------|--------------------|-------------|
| Bryson at Woodland Park | 4 | \$0 | Hunter Mill |
| Crescent Apartments | 180 | 0 | Hunter Mill |
| Discovery Square | 5 | 0 | Sully |
| Faircrest | 6 | 0 | Sully |
| Fox Mill | 2 | 0 | Hunter Mill |
| Glenwood Mews | 9 | 0 | Lee |
| Hopkins Glen | 91 | 0 | Providence |
| Island Creek | 8 | 0 | Lee |
| Laurel Hill | 6 | 0 | Mt. Vernon |
| Little River Square | 45 | 0 | Springfield |
| Lorton Valley | 2 | 0 | Mt. Vernon |
| Madison Ridge | 10 | 0 | Sully |
| McLean Hills | 25 | 0 | Providence |
| Mt. Vernon Gardens | 34 | 0 | Lee |
| Northampton | 4 | 0 | Lee |
| ParcReston | 23 | 0 | Hunter Mill |
| Stockwell Manor | 3 | 0 | Dranesville |
| Stonegate at Faircrest | 1 | 0 | Springfield |
| Springfield Green | 14 | 0 | Lee |
| Wedgewood Apartments | 672 | 0 | Braddock |
| Westbriar | 1 | 0 | Providence |
| Subtotal | 1,145 | \$0 | |
| Group Homes | Units | FY 2021 Budget | District |
| Bath Street Group Home ² | 8 | \$0 | Springfield |
| Dequincey Group Homes | 5 | 6,584 | Braddock |
| First Stop Group Home | 8 | 68,633 | Springfield |
| Leland Group Home | 8 | 777 | Sully |
| Minerva Fisher Group Home | 12 | 36,445 | Providence |
| Mount Vernon Group Home | 8 | 6,254 | Mt. Vernon |
| Patrick Street Group Home | 8 | 681 | Providence |
| Rolling Road Group Home | 5 | 2,2491 | Mt. Vernon |
| Subtotal | 62 | \$121,865 | |
| Total Units/Fund Expenditures³ | 1,484 | \$3,843,103 | |
| Less Debt Service | | (\$547,616) | |
| Net Fund Expenditures | | \$3,295,487 | |

¹ These units are part of the FCRP but the properties are managed and maintained by private contractors. All funding for these units will be budgeted and reported by the property management firm and reported to the department on a regular basis. It should also be noted that a variety of other FCRP multifamily and senior independent units are owned by FCRHA.

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controlled partnerships and are either privately managed by third-party entities or are managed directly by the FCRHA under Fund 81200, Housing Partnerships.

² Bath Street is an eight-bedroom group home facility that was purchased by the FCRHA in FY 2016. In FY 2017, this property was leased to the Fairfax-Falls Church Community Services Board (CSB) and is managed by a third-party contractor who will provide operations and maintenance support to the facility. Funding shown supports activities that must be managed by HCD, such as fire inspections, as well as internal maintenance that is required and reimbursement is sought.

³ Total expenditures for FY 2021 include \$30,553 in the FCRP Operating Fund for general program oversight.

Budget and Staff Resources

| Category | FY 2019 Actual | FY 2020 Adopted | FY 2020 Revised | FY 2021 Advertised | FY 2021 Adopted |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| FUNDING | | | | | |
| Expenditures: | | | | | |
| Personnel Services | \$1,944,202 | \$1,886,929 | \$2,007,687 | \$2,082,717 | \$2,013,581 |
| Operating Expenses | 2,010,509 | 2,092,048 | 2,068,323 | 1,829,522 | 1,829,522 |
| Capital Equipment | 305,216 | 0 | 597,928 | 0 | 0 |
| Total Expenditures | \$4,259,927 | \$3,978,977 | \$4,673,938 | \$3,912,239 | \$3,843,103 |
| AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE) | | | | | |
| Regular | 24 / 24 | 24 / 24 | 26 / 26 | 26 / 26 | 26 / 26 |

FY 2021 Funding Adjustments

The following funding adjustments from the FY 2020 Adopted Budget Plan are necessary to support the FY 2021 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the Budget on May 12, 2020.

Other Post-Employment Benefits (\$13,461)

A decrease of \$13,461 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust, in Volume 2 of the FY 2021 Adopted Budget Plan.

Spending Alignments (\$122,413)

A net decrease of \$122,413 comprises \$262,526 in Operating Expenses primarily due to 54 scattered sites being contracted to third-party managed private firms in FY 2020, partially offset by an increase of \$140,113 in Personnel Services based on an alignment of actual spending trends.

Changes to FY 2020 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2020 Revised Budget Plan since passage of the FY 2020 Adopted Budget Plan. Included are all adjustments made as part of the FY 2019 Carryover Review, FY 2020 Third Quarter Review, and all other approved changes through April 30, 2020.

Carryover Adjustments \$694,961

As part of the FY 2019 Carryover Review, the Board of Supervisors approved funding of \$694,961 due to unexpended project balances of \$597,928 and encumbered carryover of \$97,033.

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Position Realignment

\$0

As part of an ongoing effort to realign positions within the Department of Housing and Community Development based on real-time tracking, posting of time and attendance and programmatic operations, 1/1.0 FTE Housing Services Specialist III, 2/2.0 FTE Housing Services Specialist II and 1/1.0 FTE Housing Services Specialist I were transferred from Fund 81300, RAD – Project-Based Voucher to Fund 81100, FCRP, and 1/1.0 FTE Housing Services Specialist III and 1/1.0 FTE Housing Services Specialist I were transferred from Fund 81100, FCRP to Fund 81510, Housing Choice Voucher.

Position Detail

The FY 2021 Adopted Budget Plan includes the following positions:

| FAIRFAX COUNTY RENTAL PROGRAM - 26 Positions | | | |
|--|---|---|---|
| Rental Housing Property Management | | | |
| 2 | Housing/Community Developers IV | 1 | Electrician II |
| 1 | Housing/Community Developer II | 1 | Plumber II |
| 1 | Housing Services Specialist IV | 1 | Engineering Technician II |
| 1 | Housing Services Specialist III | 1 | Material Management Specialist III |
| 4 | Housing Services Specialists II | 3 | General Building Maintenance Workers II |
| 1 | Housing Services Specialist I | 2 | General Building Maintenance Workers I |
| 1 | Human Services Assistant | 2 | Administrative Assistants IV |
| 1 | Assistant Supervisor Facilities Support | 2 | Administrative Assistants II |
| 1 | Chief Building Maintenance Section | | |

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FUND STATEMENT

| Category | FY 2019 Actual | FY 2020 Adopted Budget Plan | FY 2020 Revised Budget Plan | FY 2021 Advertised Budget Plan | FY 2021 Adopted Budget Plan |
|---|---------------------|-----------------------------------|-----------------------------------|--------------------------------------|-----------------------------------|
| Beginning Balance | \$7,022,747 | \$5,930,187 | \$6,474,911 | \$5,555,418 | \$5,119,764 |
| Revenue: | | | | | |
| Dwelling Rents | \$3,025,278 | \$2,902,220 | \$2,499,771 | \$2,312,845 | \$2,312,845 |
| Investment Income | 129,295 | 129,426 | 129,426 | 125,957 | 125,957 |
| Other Income | 48,698 | 213,980 | 180,775 | 52,183 | 52,183 |
| Debt Service Contribution (Little River Glen) | 508,820 | 508,819 | 508,819 | 508,820 | 508,820 |
| Total Revenue | \$3,712,091 | \$3,754,445 | \$3,318,791 | \$2,999,805 | \$2,999,805 |
| Total Available | \$10,734,838 | \$9,684,632 | \$9,793,702 | \$8,555,223 | \$8,119,569 |
| Expenditures: | | | | | |
| Personnel Services | \$1,944,202 | \$1,886,929 | \$2,007,687 | \$2,082,717 | \$2,013,581 |
| Operating Expenses | 2,010,509 | 2,092,048 | 2,068,323 | 1,829,522 | 1,829,522 |
| Capital Outlay | 305,216 | 0 | 597,928 | 0 | 0 |
| Total Expenditures | \$4,259,927 | \$3,978,977 | \$4,673,938 | \$3,912,239 | \$3,843,103 |
| Total Disbursements | \$4,259,927 | \$3,978,977 | \$4,673,938 | \$3,912,239 | \$3,843,103 |
| Ending Balance¹ | \$6,474,911 | \$5,705,655 | \$5,119,764 | \$4,642,984 | \$4,276,466 |
| Operating Reserve | \$4,203,996 | \$5,121,968 | \$3,446,777 | \$2,969,997 | \$2,603,479 |
| Capital Reserve | 597,928 | 0 | 0 | 0 | 0 |
| Little River Glen Debt Reserve | 1,672,987 | 0 | 1,672,987 | 1,672,987 | 1,672,987 |
| Cash with Fiscal Agent | 0 | 583,687 | 0 | 0 | 0 |
| Unreserved Ending Balance | \$0 | \$0 | \$0 | \$0 | \$0 |

¹ Ending balances fluctuate due to adjustments in revenues and expenditures, as well as the carryover of balances each year.