

# Fund 50800: Community Development Block Grant

**Mission** To conserve and upgrade low- and moderate-income neighborhoods through the provision of public facilities, home improvements, public services and economic development, and to stimulate the development and preservation of low- and moderate-income housing.

**Focus** The Community Development Block Grant (CDBG) program seeks to stimulate the development and preservation of low- and moderate-income housing through the provision of loans, public facilities, and improvements directed toward conserving and upgrading low- and moderate-income neighborhoods. It also supports the provision of special outreach and assistance services to low- and moderate-income households. Fairfax County receives an annual Community Development Block Grant through the U.S. Department of Housing and Urban Development (HUD). The use of these funds is subject to eligibility criteria established by Congress for the program and must meet one of three national objectives: (1) benefit low- and moderate-income persons; (2) prevent or eliminate slums or blight; or (3) meet an urgent need in the community. Specific uses of each annual grant are outlined in the One-Year Action Plan. The Board of Supervisors (BOS) has designated the Consolidated Community Funding Advisory Committee (CCFAC) as the citizen advisory group charged with overseeing the Consolidated Plan and One-Year Action Plan processes. A Working Advisory Group (WAG), composed of members of the Fairfax County Redevelopment and Housing Authority (FCRHA) and the CCFAC, discusses community needs and funding priorities to formulate funding recommendations that are included in the One-Year Action Plan. The CCFAC releases the Plan for public comment and forwards the Plan to the BOS for a public hearing and adoption. The Plan is then forwarded to HUD for approval and final grant award.

Historically, CDBG funds have been used for:

- development and preservation of affordable housing;
- neighborhood improvements in communities designated as Conservation or Redevelopment Areas by the Board of Supervisors;
- needed services to the low- and moderate-income population;
- financial and technical assistance to homeowners for housing rehabilitation and repair;
- payments on loans used for affordable housing development; and
- administrative related program costs.

Details for specific projects in Program Year 47 (FY 2022) have been approved by the Board of Supervisors and submitted to HUD as part of the One-Year Action Plan for FY 2022.

A portion of the County's CDBG funding is combined with County General Funds and the Community Services Block Grant into the Consolidated Community Funding Pool (CCFP). CCFP provides funds through a competitive process to non-profit organizations for human services and affordable housing development and preservation. For more information about the CCFP, please see Fund 10020, Consolidated Community Funding Pool, in the General Fund Group section of Volume 2.

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### FY 2022 Initiatives

In FY 2022, estimated funding of \$5,960,799, an increase of \$351,460, or 6.3 percent, over the FY 2021 Adopted Budget Plan amount of \$5,609,339, is included. Necessary adjustments to the estimate will be made as part of the *FY 2021 Carryover Review* after the final HUD award is received. Anticipated initiatives include the following:

- Funding of \$894,119 is available for targeted public services and affordable housing projects supported by the CCFP.
- Funding of \$559,786 is available for Section 108 Loan Payments. These loans were previously approved by the BOS and HUD, and funded affordable housing preservation and development, construction of the Olley Glen senior apartments and rehabilitation work at Strawbridge Square, and road and storm drainage improvements in five Conservation Areas.
- Funding of \$727,895 is included for Planning and Urban Design, and General Administration. This supports staff and operating costs for overall program management and planning for CDBG and Section 108 Loan programs. This includes preparation of the annual HUD consolidated plans and other program reports, administration and monitoring of non-profit contracts, evaluation of program performance, and planning for the development of affordable housing in the County.
- Funding of \$2,599,303 is allocated to Contingency Fund requirements for rehabilitation and/or Special Needs Housing. Details will be outlined in the One-Year Action Plan for FY 2022.
- Funding of \$653,969 is included for the Homeownership Assistance Program and provides support for the First-Time Homebuyer program, including down payment financial assistance to low- and moderate-income homebuyers, when available. These positions enter application data, maintain waiting lists, process applications, conduct lotteries and annual occupancy certifications, market new and resale units, and counsel applicants.
- Funding of \$405,430 supports staff and operating costs for the Home Repair for the Elderly Program. This program funds minor home repairs to help low-income elderly or disabled residents live in safe and sanitary housing.
- Funding of \$120,297 is included for Fair Housing Program implementation, including conducting and reporting on fair housing tests, investigating fair housing complaints, training rental agents and housing counselors in the County's rental market, and supporting activities that affirmatively further fair housing in the County.

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## Budget and Staff Resources

| Category   | FY 2020 Actual      | FY 2021 Adopted    | FY 2021 Revised     | FY 2022 Advertised | FY 2022 Adopted    |
|--|---------------------|--------------------|---------------------|--------------------|--------------------|
| <b>FUNDING</b>   |                     |                    |                     |                    |                    |
| <b>Expenditures:</b>                                   |                     |                    |                     |                    |                    |
| CDBG Projects  | \$10,872,604        | \$5,609,339        | \$33,445,514        | \$5,960,799        | \$5,960,799        |
| <b>Total Expenditures</b>                              | <b>\$10,872,604</b> | <b>\$5,609,339</b> | <b>\$33,445,514</b> | <b>\$5,960,799</b> | <b>\$5,960,799</b> |
| <b>AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)</b> |                     |                    |                     |                    |                    |
| Grant  | 14 / 14             | 14 / 14            | 17 / 17             | 14 / 14            | 17 / 17            |

## FY 2022 Funding Adjustments

The following funding adjustments from the FY 2021 Adopted Budget Plan are necessary to support the FY 2022 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 4, 2021.

**Employee Compensation** **\$0**  
 It should be noted that no funding is included for a 1.00 percent market rate adjustment (MRA) for all employees in FY 2022, as the grants will absorb the impact within the existing award authorizations.

**U.S. Department of Housing and Urban Development (HUD) Award** **\$351,460**  
 An increase of \$351,460 based on the FY 2020 HUD award was used to project expenditures for FY 2022.

## Changes to FY 2021 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2021 Revised Budget Plan since passage of the FY 2021 Adopted Budget Plan. Included are all adjustments made as part of the FY 2020 Carryover Review, FY 2021 Mid-Year Review, FY 2021 Third Quarter Review, and all other approved changes through April 30, 2021.

**Carryover Adjustments** **\$22,985,015**  
 As part of the FY 2020 Carryover Review, the Board of Supervisors approved funding of \$22,985,015 primarily due to increases of \$23,502,195 due to the carryover of unexpended grant balances, \$351,460 due to the amended Department of Housing and Urban Development (HUD) award, \$200,000 due to a reconciliation between HUD's Integrated Disbursement and Information System (IDIS) and the County's financial system, \$188,030 in excess revenues received in FY 2020, and \$3,214 resulting from an FY 2020 adjustment to reclassify personnel expenses, partially offset by a decrease of \$1,259,884 to North Hill based on actual program income received in FY 2020.

**Mid-Year Adjustments** **\$4,852,069**  
 As part of the FY 2021 Mid-Year Review, the Board of Supervisors approved funding of \$4,852,069 due to increases of \$4,850,209 made available from the Coronavirus Aid, Relief, and Economic Security (CARES) Act to continue preventing, preparing for, and responding to COVID-19 and \$1,860 resulting from an FY 2020 adjustment to reclassify personnel expenses.

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**Third Quarter Adjustments (\$909)**

As part of the *FY 2021 Third Quarter Review*, the Board of Supervisors approved a decrease of \$909 due to the amended grant award from HUD. It should be noted that no funding was included in Personnel Services for a one-time compensation adjustment of \$1,000 for merit employees and \$500 for non-merit employees paid in May 2021, as the grants will absorb the impact within the existing award authorizations. Additionally, 3/3.0 FTE grant positions were included as part of the Department of Housing and Community Development shifting their property management functions to third-party management. These positions will be absorbed within existing appropriation levels.

## Position Detail

The FY 2022 Adopted Budget Plan includes the following positions:

| COMMUNITY DEVELOPMENT BLOCK GRANT - 17 Positions |                                 |   |   |
|--|---------------------------------|---|---|
| Homeownership Program                            |                                 |   |   |
| 1  | Housing Services Specialist IV  | 1 | Administrative Assistant IV             |
| 3  | Housing/Community Developers II |   |   |
| Community / Neighborhood Improvement             |                                 |   |   |
| 1  | Housing/Community Developer V   | 1 | Assistant Supervisor Facilities Support |
| 3  | Housing/Community Developers IV | 1 | General Building Maintenance Worker II  |
| 1  | Accountant III                  | 2 | General Building Maintenance Workers I  |
| 1  | Management Analyst I            | 1 | Administrative Assistant IV             |
| 1  | Senior Maintenance Supervisor   |   |   |

A Fund Statement and a Summary of Grant Funding are provided on the following pages.

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### FUND STATEMENT

| Category                                 | FY 2020<br>Actual   | FY 2021<br>Adopted<br>Budget Plan | FY 2021<br>Revised<br>Budget Plan | FY 2022<br>Advertised<br>Budget Plan | FY 2022<br>Adopted<br>Budget Plan |
|--|---------------------|-----------------------------------|-----------------------------------|--------------------------------------|-----------------------------------|
| <b>Beginning Balance</b>                 | <b>\$6,081,719</b>  | <b>\$0</b>                        | <b>\$10,968,795</b>               | <b>\$0</b>                           | <b>\$0</b>                        |
| <b>Revenue:</b>                          |                     |                                   |                                   |                                      |                                   |
| Community Development Block Grant (CDBG) | \$4,188,346         | \$5,609,339                       | \$22,476,719                      | \$5,960,799                          | \$5,960,799                       |
| CDBG Program Income                      | 11,571,334          | 0                                 | 0                                 | 0                                    | 0                                 |
| <b>Total Revenue</b>                     | <b>\$15,759,680</b> | <b>\$5,609,339</b>                | <b>\$22,476,719</b>               | <b>\$5,960,799</b>                   | <b>\$5,960,799</b>                |
| <b>Total Available</b>                   | <b>\$21,841,399</b> | <b>\$5,609,339</b>                | <b>\$33,445,514</b>               | <b>\$5,960,799</b>                   | <b>\$5,960,799</b>                |
| <b>Expenditures:</b>                     |                     |                                   |                                   |                                      |                                   |
| CDBG Projects                            | \$10,872,604        | \$5,609,339                       | \$33,445,514                      | \$5,960,799                          | \$5,960,799                       |
| <b>Total Expenditures</b>                | <b>\$10,872,604</b> | <b>\$5,609,339</b>                | <b>\$33,445,514</b>               | <b>\$5,960,799</b>                   | <b>\$5,960,799</b>                |
| <b>Total Disbursements</b>               | <b>\$10,872,604</b> | <b>\$5,609,339</b>                | <b>\$33,445,514</b>               | <b>\$5,960,799</b>                   | <b>\$5,960,799</b>                |
| <b>Ending Balance</b>                    | <b>\$10,968,795</b> | <b>\$0</b>                        | <b>\$0</b>                        | <b>\$0</b>                           | <b>\$0</b>                        |

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### SUMMARY OF GRANT FUNDING

| Grant #      | Description  | FY 2020 Actual Expenditures | FY 2021 Revised Budget | FY 2022 Advertised Budget Plan | FY 2022 Adopted Budget Plan |
|--------------|--|-----------------------------|------------------------|--------------------------------|-----------------------------|
| 1380020      | Good Shepherd Housing                                | \$1,045,089.13              | \$511,504.59           | \$0                            | \$0                         |
| 1380024      | Fair Housing Program                                 | 107,380.68                  | 336,264.43             | 120,297                        | 120,297                     |
| 1380026      | Rehabilitation of FCRHA Properties                   | 57,755.60                   | 1,862,522.80           | 0                              | 0                           |
| 1380035      | Home Repair for the Elderly                          | 324,233.66                  | 576,867.10             | 405,430                        | 405,430                     |
| 1380036      | Contingency Fund                                     | 0.00                        | 0.00                   | 2,599,303                      | 2,599,303                   |
| 1380037      | Gum Springs Improvements                             | (11,514.50)                 | 11,514.50              | 0                              | 0                           |
| 1380039      | Planning and Urban Design                            | 353,765.08                  | 436,327.06             | 248,761                        | 248,761                     |
| 1380040      | General Administration                               | 352,404.56                  | 1,383,371.24           | 479,134                        | 479,134                     |
| 1380042      | Housing Program Relocation                           | 181,026.56                  | 168,973.44             | 0                              | 0                           |
| 1380043      | Section 108 Loan Payments                            | 4,563,790.10                | 571,283.55             | 559,786                        | 559,786                     |
| 1380057      | Wesley Housing                                       | 448,721.65                  | 0.00                   | 0                              | 0                           |
| 1380060      | Homeownership Assistance Program                     | 916,122.46                  | 1,348,506.27           | 653,969                        | 653,969                     |
| 1380062      | Special Needs Housing                                | 112,796.83                  | 880,250.41             | 0                              | 0                           |
| 1380070      | North Hill   | 0.00                        | 11,997,948.86          | 0                              | 0                           |
| 1380079      | Adjusting Factors                                    | 0.00                        | 0.00                   | 894,119                        | 894,119                     |
| 1380091      | Affordable Housing RFP                               | 2,415,250.00                | 1,623,176.50           | 0                              | 0                           |
| 1380095      | CDBG-TPS Children In Crisis                          | 0.00                        | 175,720.00             | 0                              | 0                           |
| 1380096      | CDBG-Fairfax Law Foundation                          | 0.00                        | 41,841.00              | 0                              | 0                           |
| 1380097      | CDBG-Northern Virginia Mediation Services, Inc.      | 0.00                        | 85,850.00              | 0                              | 0                           |
| 1380098      | CDBG- The Women's Center-TPS Access to Mental Health | 0.00                        | 84,483.00              | 0                              | 0                           |
| 1380099      | CDBG-Housing and Comm Dev Rehab or Acquisitions      | 0.00                        | 3,000,000.00           | 0                              | 0                           |
| 1CV3802      | Community Development Block Grant-Coronavirus        | 7,641.72                    | 8,349,109.28           | 0                              | 0                           |
| <b>Total</b> |  | <b>\$10,874,463.53</b>      | <b>\$33,445,514.03</b> | <b>\$5,960,799</b>             | <b>\$5,960,799</b>          |