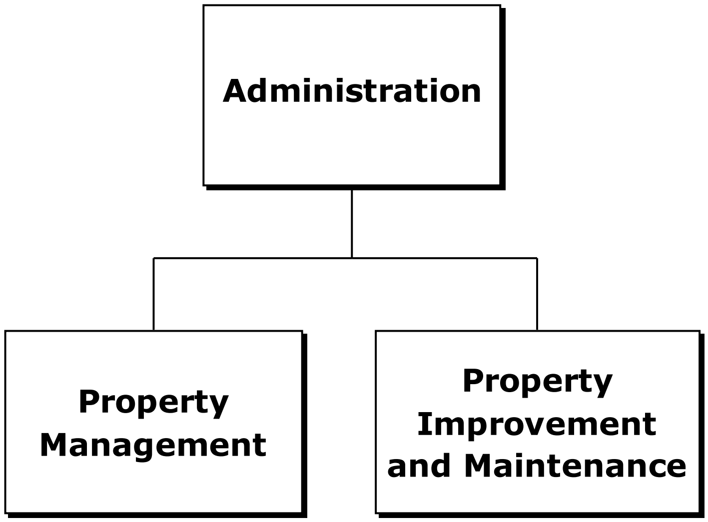
Fund 81200
Housing Partnerships



Mission

To provide affordable rental housing through partnerships between the Fairfax County Redevelopment and Housing Authority (FCRHA) and private investors.

Focus

Fund 81200, Housing Partnerships, was created in FY 2002 to allow the FCRHA to efficiently track partnership properties in the Federal Low Income Housing Tax Credit program (LIHTC), which promotes private investment in affordable housing through partnerships with nonprofit entities such as the FCRHA. The Housing Partnerships fund supports a portion of the operating expenses for LIHTC properties that are owned by limited partnerships of which the FCRHA is the managing general partner. In FY 2020, the FCRHA will directly manage five partnership properties: Castellani Meadows, The Green, Tavenner Lane, Murraygate Village and Olley Glen. Some operating costs of these five properties are tracked through the County's financial system; however, a separate property management system, Yardi, is required to maintain partnership accounts and meet partnership calendar year reporting schedules. The operation of these developments is primarily supported by tenant rents with a County reimbursement for real estate taxes budgeted in the General Fund. The revenue collected from rents and property excess income is also monitored by Yardi and utilized by the partnerships to reimburse the FCRHA for expenses incurred to support salaries, maintenance and other operating expenses as identified in Fund 81200.

Six other partnership properties receive a County reimbursement for real estate taxes budgeted in the General Fund, but are managed by a private management company and are not reported in the County's financial system. These other partnership properties include: Herndon Harbor House I & II, Stonegate Village, Cedar Ridge, Morris Glen, and Gum Springs Glen.

Fund 81200
Housing Partnerships

The following tables summarize the number of units for each property managed by the FCRHA, as well as those managed by third-party companies, and the projected FY 2020 operating costs.

FCRHA-Managed Properties	Units	FY 2020 Cost	District(s)
Castellani Meadows	24	$90,464	Sully
The Green[1]	74	731,522	Providence, Hunter Mill, and Sully
Tavenner Lane[2]	24	240,140	Lee
Murraygate Village	200	775,651	Lee
Olley Glen	90	563,017	Braddock
Total Partnership Program	**412**	**$2,400,794**	

[1] Of the 74 units of The Green, 50 are part of the federally-assisted Rental Assistance Demonstration (RAD) program and are reflected in Fund 81300, RAD-Project-Based Voucher (PBV). However, operating expenses for all 74 units are included in Fund 81200 since they are all owned by The Green Limited Partnership.

[2] Of the 24 units of Tavenner Lane, 12 are part of the federally-assisted RAD program and are reflected in Fund 81300, RAD-PBV. However, operating expenses for all 24 units are included in Fund 81200 since they are all owned by Tavenner Lane Limited Partnership.

Third-Party Managed Properties[3]	Units	FY 2020 Cost	District
Herndon Harbor I & II	120	$0	Dranesville
Stonegate Village	240	0	Hunter Mill
Cedar Ridge	198	0	Hunter Mill
Morris Glen	60	0	Lee
Gum Springs Glen	60	0	Mt. Vernon
Total Third-Party Managed	**678**	**$0**	

[3] The properties are managed and maintained by a third-party management company. All funding for these units will be budgeted and reported by the property management firm and reported to HCD on a regular basis.

Fund 81200
Housing Partnerships

Budget and Staff Resources

Category	FY 2018 Actual	FY 2019 Adopted	FY 2019 Revised	FY 2020 Advertised	FY 2020 Adopted
FUNDING					
Expenditures:					
Personnel Services	$706,255	$625,591	$777,591	$773,115	$779,787
Operating Expenses	1,282,639	1,346,951	5,463,347	1,621,007	1,621,007
Capital Equipment	0	0	23,067,529	0	0
Total Expenditures	**$1,988,894**	**$1,972,542**	**$29,308,467**	**$2,394,122**	**$2,400,794**
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	7 / 7	7 / 7	7 / 7	7 / 7	7 / 7

RENTAL HOUSING PROPERTY MANAGEMENT

1	HCD Division Director	1	HVAC II
2	Housing Services Specialists II	1	General Building Maintenance Worker II
1	Housing Services Specialist I	1	Plumber I

TOTAL POSITIONS
7 Positions / 7.0 FTE

FY 2020 Funding Adjustments

The following funding adjustments from the FY 2019 Adopted Budget Plan are necessary to support the FY 2020 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 7, 2019.

♦ **Employee Compensation** **$22,853**
An increase of $22,853 in Personnel Services includes $12,737 for a 2.10 percent market rate adjustment (MRA) for all employees and $10,116 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2019.

♦ **Other Post-Employment Benefits** **$1,936**
An increase of $1,936 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 2020 Adopted Budget Plan.

♦ **Project-Based Budgeting Adjustments** **$403,463**
An increase of $403,463 includes $129,407 in Personnel Services due to salary and fringe benefit adjustments necessary to adhere to U.S. Department of Housing and Urban Development (HUD) policy guidelines, and $274,056 in Operating Expenses due to project-based contractual and legal services, and repair and maintenance requirements. The agency is continuing to properly align positions with duties and responsibilities and is aligning costs to correlate with these adjustments.

Changes to FY 2019 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2019 Revised Budget Plan since passage of the FY 2019 Adopted Budget Plan. Included are all adjustments made as part of the FY 2018 Carryover Review, FY 2019 Third Quarter Review, and all other approved changes through April 30, 2019.

- **Carryover Adjustments** **$59,630**
  As part of the *FY 2018 Carryover Review*, the Board of Supervisors approved funding of $59,630 in encumbered funding in Operating Expenses.

- **Murraygate Village Apartments Renovation** **$23,067,529**
  Funding of $23,067,529, primarily bond funds, was included to support the architectural and construction costs associated with the renovation of Murraygate Village Apartments.

- **Out-of-Cycle Adjustments** **$221,000**
  An increase of $221,000 in Operating Expenses was included to support expenses related to the closing and transfer of Murraygate to the new Murraygate Village Limited Partnership.

- **Out-of-Cycle Adjustments** **$3,987,766**
  Subsequent to the *FY 2019 Third Quarter Review*, an increase of $3,987,766 comprises $3,680,766 in Operating Expenses for the recognition of loan proceeds to be used in collateralization of the bond issued for Murraygate Village Apartments, as well as $155,000 in Operating Expenses and $152,000 in Personnel Services to support Partnership operations at Murraygate Village Apartments and Olley Glen.

Fund 81200
Housing Partnerships

FUND STATEMENT

Fund 81200, Housing Partnerships

	FY 2018 Actual	FY 2019 Adopted Budget Plan	FY 2019 Revised Budget Plan	FY 2020 Advertised Budget Plan	FY 2020 Adopted Budget Plan
Beginning Balance	**$36,446**	**$36,446**	**$36,446**	**$36,446**	**$36,446**
Revenue:					
FCRHA Reimbursements	$1,988,894	$1,972,542	$29,308,467	$2,394,122	$2,400,794
Total Revenue	$1,988,894	$1,972,542	$29,308,467	$2,394,122	$2,400,794
Total Available	**$2,025,340**	**$2,008,988**	**$29,344,913**	**$2,430,568**	**$2,437,240**
Expenditures:					
Personnel Services	$706,255	$625,591	$777,591	$773,115	$779,787
Operating Expenses	1,282,639	1,346,951	5,463,347	1,621,007	1,621,007
Capital Outlay	0	0	23,067,529	0	0
Total Expenditures	$1,988,894	$1,972,542	$29,308,467	$2,394,122	$2,400,794
Total Disbursements	**$1,988,894**	**$1,972,542**	**$29,308,467**	**$2,394,122**	**$2,400,794**
Ending Balance[1]	**$36,446**	**$36,446**	**$36,446**	**$36,446**	**$36,446**
Replacement Reserve	$36,446	$36,446	$36,446	$36,446	$36,446
Unreserved Ending Balance	**$0**	**$0**	**$0**	**$0**	**$0**

[1] An adequate fund balance is mantained to address potential operating and maintenance requirements. These costs change annually, therefore, funding is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.