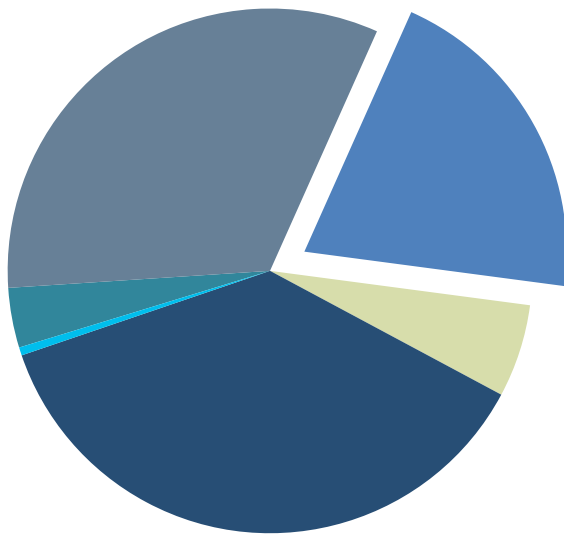


Housing & Community Development

Mission Statement

The Office of Housing & Community Development will transform lives by developing affordable housing opportunities and neighborhood resources for low and moderate-income area residents by implementing appropriate policies and programs, which provide a safe and healthy environment in which to work and play.



Human Services Expenditure Budget:
\$217,060,378

Expenditure Budget:
\$45,386,193



20.9% of Human Services

Programs:

- Community Preservation & Development: \$5,250,322
- Housing Finance & Development: \$1,821,877
- Rental Assistance: \$38,077,504
- Affordable Housing Support: \$236,490

Mandates

The Office of Housing & Community Development does not provide a state or federal mandated service. Some federal grants require certain activities to be performed; however, these are not considered mandates since the County is not obligated to accept the grant funding.

Housing & Community Development

Expenditure and Revenue Summary



| Expenditure by Program | FY19 Actuals | FY20 Actuals | FY21 Actuals | FY22 Adopted | FY23 Proposed | % Change Budget FY22/ Budget FY23 |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---|
| Community Preservation & Development | \$2,370,807 | \$2,404,803 | \$3,102,257 | \$4,685,709 | \$5,250,322 | 12.05% |
| Housing Finance & Development | \$998,406 | \$421,811 | \$390,180 | \$1,604,977 | \$1,821,877 | 13.51% |
| Rental Assistance | \$28,377,015 | \$28,477,904 | \$29,336,102 | \$36,822,332 | \$38,077,504 | 3.41% |
| Affordable Housing Support | \$93,619 | \$2,161,668 | \$486,971 | \$229,958 | \$236,490 | 2.84% |
| Total Expenditures | \$31,839,846 | \$33,466,187 | \$33,315,510 | \$43,342,977 | \$45,386,193 | 4.71% |

Expenditure by Classification

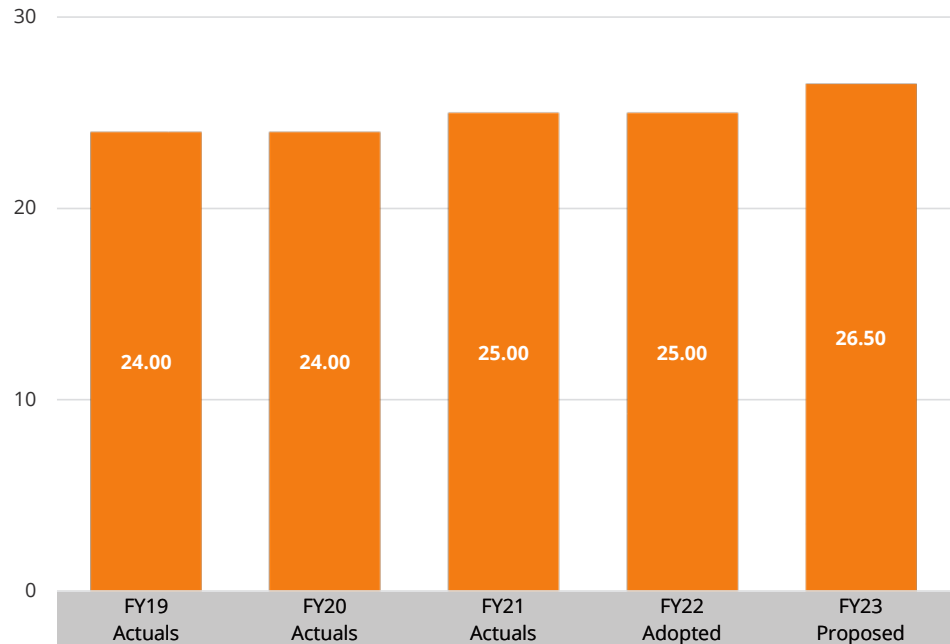
| | | | | | | |
|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------|
| Salaries and Benefits | \$2,198,586 | \$2,328,230 | \$2,468,852 | \$2,252,548 | \$2,570,297 | 14.11% |
| Contractual Services | \$1,882,068 | \$3,618,448 | \$1,614,960 | \$3,776,229 | \$4,265,161 | 12.95% |
| Internal Services | \$134,985 | \$122,649 | \$133,957 | \$101,704 | \$101,704 | 0.00% |
| Purchase of Goods & Services | \$27,478,523 | \$27,241,887 | \$28,798,640 | \$37,028,571 | \$38,235,106 | 3.26% |
| Leases & Rentals | \$30,569 | \$21,780 | \$17,340 | \$40,732 | \$40,732 | 0.00% |
| Transfers Out | \$115,116 | \$133,193 | \$281,761 | \$143,193 | \$173,193 | 20.95% |
| Total Expenditures | \$31,839,846 | \$33,466,187 | \$33,315,510 | \$43,342,977 | \$45,386,193 | 4.71% |

Funding Sources

| | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|--------------|
| Revenue from Federal Government | \$28,190,920 | \$28,817,020 | \$32,399,746 | \$34,954,940 | \$36,746,078 | 5.12% |
| Miscellaneous Revenue | (\$0) | (\$0) | (\$0) | \$145,000 | \$145,000 | 0.00% |
| Non-Revenue Receipts | (\$0) | (\$0) | \$5,711 | (\$0) | (\$0) | - |
| Charges for Services | \$2,743,311 | \$2,380,911 | \$1,025,053 | \$7,970,100 | \$7,970,100 | 0.00% |
| Revenue from Commonwealth | (\$0) | \$155,887 | \$458,972 | (\$0) | (\$0) | - |
| Transfers In | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | - |
| Total Designated Funding Sources | \$30,944,231 | \$31,363,817 | \$33,899,482 | \$43,080,040 | \$44,871,178 | 4.16% |
| (Contribution to)/Use of Fund Balance | \$759,974 | \$2,017,768 | (\$801,114) | \$45,796 | \$297,874 | |
| Net General Tax Support | \$135,641 | \$84,602 | \$217,141 | \$217,141 | \$217,141 | 0.00% |
| Net General Tax Support | 0.43% | 0.25% | 0.65% | 0.50% | 0.48% | |

Housing & Community Development

Staff History by Program



| | FY19 Actuals | FY20 Actuals | FY21 Actuals | FY22 Adopted | FY23 Proposed |
|---|--------------|--------------|--------------|--------------|---------------|
| Community Preservation & Development | 3.02 | 3.97 | 3.93 | 3.87 | 3.87 |
| Housing Finance & Development | 1.00 | 1.00 | 0.73 | 0.74 | 0.74 |
| Rental Assistance | 19.98 | 19.03 | 19.59 | 19.64 | 21.14 |
| Affordable Housing Support | 0.00 | 0.00 | 0.75 | 0.75 | 0.75 |
| Full-Time Equivalent (FTE) Total | 24.00 | 24.00 | 25.00 | 25.00 | 26.50 |

Future Outlook

Increased Cost of Affordable Housing – In the administration of the Housing Choice Voucher Program (HCVP), Small Area Fair Market Rent (SAFMR) established at the ZIP code level replaced the 50th percentile Fair Market Rents previously required for metropolitan areas with high concentrations of voucher families. SAFMRs are intended to provide families residing in low-income areas the opportunity to move to areas with higher rents, thereby making them affordable. Public Housing Authorities are required to use SAFMRs in establishing families’ payment standards. This change has increased the payment standards for the HCVP. In addition, due to COVID-19 and eviction moratoriums, some landlords are requesting higher rents to cover their losses during the pandemic. Increased rents increase program costs, thereby reducing the number of people served.

500 Families Waiting for Affordable Housing – The waiting list for the HCVP was last opened December 2010 with more than 8,500 applicants. Currently, there are approximately 500 applicants on the waiting list. The Office of Housing & Community Development (OHCD) anticipates assisting an additional 100 elderly and/or disabled families currently on its waiting list in FY23.

Special Voucher Program Funds – The U.S. Department of Housing and Urban Development (HUD) created new voucher programs (Emergency Housing Vouchers - EHV) in FY21. OHCD was awarded 53 vouchers to address homelessness in FY22. It is anticipated that additional funding will become available for which OHCD will apply. In addition to EHV, OHCD has applied for additional funds for Veterans Affairs Supportive Housing (VASH) vouchers to assist veterans with rental assistance.

Housing & Community Development

General Overview

- A. FY22 Budget Reconciliation** – Prince William County (PWC) adopted its FY2022 Budget prior to the County receiving its final FY21 budget allocation from the U.S. Department of Housing & Urban Development. The County adjusted the OHCD budget ([BOCS Resolution 21-400](#)) to reflect the actual allocations awarded from all sources. The FY22 budget reconciliation resulted in a \$4,812,337 increase in revenue and expenditures as well as a 1.50 increase in full-time equivalent (FTE) employees in FY22. The FTE increase was for a full-time Housing Program Analyst (1.00 FTE) who will perform case management and a part-time Housing Program Technician (0.50 FTE) to conduct inspections.
- B. Redistribution of Internal Service Fund (ISF) Technology Budget** – The County annually allocates all information technology (IT) costs to agencies through an ISF, using the approved cost basis for each technology activity. Technology activities include computer support (hardware replacement, software licenses, and helpdesk customer services), IT security, business systems support (public safety communications, financial systems, human services systems, etc.), geographic information system, web services, capital equipment replacement, messaging, cloud storage, network and infrastructure services, telecommunications, and radio. The cost basis is calculated through a formula derived from the Department of Information Technology’s (DoIT) ISF fee schedule.
- For FY23, ISF costs have been revised to align and more accurately reflect overall technology activities with current department specific technology services. Costs are adjusted to reflect agency technology usage more accurately, as tracked by DoIT billing systems using the updated methodology. In FY23, the OHCD technology bill increases by \$77,953. No technology service levels are changed, and there is no impact to the technology services individual agencies currently receive. For additional information on the countywide impact and methodology of redistributing technology charges, please see the Budget Highlights section of this document.
- C. Revenue Support for Fair Housing Testing** – The Proposed FY2023 Budget includes a \$30,000 increase in the transfer from OHCD to the Human Rights Office for Fair Housing Testing. Prince William County, in conjunction with the Metropolitan Washington Council of Governments, has begun a process of developing the next Regional Analysis of Impediments to Fair Housing Choice (Regional Fair Housing Plan). The Regional Fair Housing Plan is completed every five years to “affirmatively further fair housing” as required by the Fair Housing Act of 1968 and the Housing and Community Development Act of 1974. The Regional Fair Housing Plan plays an important role in helping Prince William County decide how to prioritize its HUD funding. As subrecipients in previous years, the County received Community Development Block Grant funds from the Housing Department to conduct Fair Housing Testing.

Housing & Community Development

Program Summary

Community Preservation & Development

Community Planning & Development administers two federal programs through the U.S. Department of Housing and Urban Development (HUD)—the Community Development Block Grant (CDBG) program and the Emergency Solutions Grant (ESG) program. The County has a Cooperative Agreement with the Cities of Manassas and Manassas Park to conduct their housing and community development activities. A portion of the CDBG funds are set aside on a competitive basis to eligible activities that meet CDBG National Objectives and further the Prince William Area's goals and objectives, as stated in the five-year consolidated plan. The largest portion of CDBG funds is devoted to housing rehabilitation activities of owner-occupied low and moderate-income households. The ESG funding is provided to local shelters towards operating costs and programs to rapidly rehouse the homeless. Additionally, the Stewart B. McKinney Homeless Assistance Act of 1988 and the Base Closure and Realignment Act mandated that federal agencies make any usable surplus real property available to units of government and non-profits organizations for sheltering the homeless. The County received property under the Act in March 1994 with a 30-year deed restriction to use the property solely for serving the homeless. OHCD operates seven transitional housing units for families referred by local shelters.

| Key Measures | FY19 Actuals | FY20 Actuals | FY21 Actuals | FY22 Adopted | FY23 Proposed |
|--|-----------------|-----------------|-----------------|-----------------|------------------|
| Persons provided with housing and other related services - CDBG | 1,101 | 2,094 | 2,748 | 2,094 | 2,094 |
| Persons provided with homelessness prevention and emergency shelter | 1,107 | 998 | 881 | 1,107 | 881 |
| Families completing transitional housing program & moving to permanent housing | 25% | 50% | 100% | 66% | 50% |

| Program Activities & Workload Measures (Dollar amounts expressed in thousands) | FY19 Actuals | FY20 Actuals | FY21 Actuals | FY22 Adopted | FY23 Proposed |
|---|-----------------|-----------------|-----------------|-----------------|------------------|
| Housing Rehabilitation | \$1,688 | \$1,318 | \$1,821 | \$4,125 | \$4,678 |
| Substandard single-family housing units rehabilitated | 15 | 8 | 6 | 12 | 8 |
| Community Improvement & Housing Supportive Services | \$450 | \$949 | \$1,178 | \$298 | \$307 |
| Persons provided with homelessness prevention and emergency shelter services | 1,107 | 998 | 881 | 1,107 | 881 |
| Improvement projects managed | 15 | 16 | 14 | 15 | 14 |
| Manage Transitional Housing at Dawson Beach | \$187 | \$137 | \$103 | \$262 | \$266 |
| Homeless families served | 8 | 6 | 5 | 8 | 8 |

Housing & Community Development

Housing Finance & Development

PWC, along with the Cities of Manassas and Manassas Park through a Cooperative Agreement, receives an annual allocation of Home Investment Partnerships funding from HUD. The program objective is to provide decent affordable housing to low-income households; expand the capacity of non-profit housing providers; strengthen the ability of state and local governments to provide housing; and leverage private-sector participation. Federal funds are utilized for the First-Time Homebuyer Program, which provides down payment and closing cost assistance for residents of PWC and the cities of Manassas and Manassas Park. Also, at least 15% of the allocation is set aside for specific activities to be undertaken by a special type of non-profit called a community housing development organization that develops affordable housing for the community it serves.

| Key Measures | FY19 Actuals | FY20 Actuals | FY21 Actuals | FY22 Adopted | FY23 Proposed |
|---|-----------------|-----------------|-----------------|-----------------|------------------|
| Federal & state funds for households to become first-time homebuyers | \$983K | \$353K | \$974K | \$532K | \$974K |
| Private mortgage financing generated on behalf of first-time homebuyers | \$2.2M | \$876K | \$232K | \$900K | \$500K |

| Program Activities & Workload Measures (Dollar amounts expressed in thousands) | FY19 Actuals | FY20 Actuals | FY21 Actuals | FY22 Adopted | FY23 Proposed |
|---|-----------------|-----------------|-----------------|-----------------|------------------|
| Homeownership Assistance | \$998 | \$422 | \$390 | \$1,605 | \$1,822 |
| Families assisted to become first-time homebuyers | 11 | 4 | 4 | 8 | 8 |
| Affordable units added, with counseling to the families that rent/purchase units | 19 | 10 | 9 | 14 | 8 |

Rental Assistance

The Rental Assistance Unit manages the HCVP, a federally funded rental assistance program. Funding is provided through HUD to assist eligible low-income County residents with obtaining safe, decent, and affordable housing.

| Key Measures | FY19 Actuals | FY20 Actuals | FY21 Actuals | FY22 Adopted | FY23 Proposed |
|---|-----------------|-----------------|-----------------|-----------------|------------------|
| Eligible elderly and disabled persons in HCVP provided with rental assistance | 65% | 47% | 72% | 61% | 80% |
| Family Self Sufficiency Grant families who successfully meet program goals | 20% | 50% | 83% | 80% | 83% |
| Rental income paid to local property owners on behalf of families | \$26.3M | \$24.0M | \$26.8M | \$29.0M | \$27.8M |
| Annual HCVP performance evaluation score from HUD | 100% | 100% | 100% | 98% | 100% |
| Families assisted by OHCD with low-income housing | 4,041 | 4,198 | 6,274 | 5,700 | 5,700 |

| Program Activities & Workload Measures (Dollar amounts expressed in thousands) | FY19 Actuals | FY20 Actuals | FY21 Actuals | FY22 Adopted | FY23 Proposed |
|---|-----------------|-----------------|-----------------|-----------------|------------------|
| Housing Assistance Program Payments | \$26,445 | \$26,468 | \$27,217 | \$34,928 | \$36,031 |
| Families provided with rental assistance | 1,859 | 2,089 | 2,408 | 2,090 | 2,408 |
| Housing Assistance Program Administration | \$1,933 | \$2,010 | \$2,119 | \$1,894 | \$2,046 |
| Participant eligibility determinations | 1,982 | 2,495 | 2,242 | 2,500 | 2,500 |
| Families on the HVCP rental assistance waitlist | 1,380 | 691 | 589 | 603 | 500 |