

*Our Mission: To assist low income residents to obtain affordable, decent and safe housing through the provision of rental assistance*

Funding for the five Section 8 programs that Arlington County administers comes from the federal Department of Housing and Urban Development (HUD). The principal programs in Section 8 are of two types: tenant based and project based.

- **Housing Choice Vouchers** represent tenant-based assistance and can be used in Arlington and anywhere within the United States. In FY 2005, HUD changed the way it distributes funds to Public Housing Agencies (PHAs) for the Voucher program. PHAs now receive their funding allocation for housing assistance payments and administrative fees at the beginning of each calendar year instead of the beginning of their fiscal year. This new budgeting method gives HUD a better outlook on actual costs expended by agencies during the course of the year. In addition, effective October 2006, HUD increased the Fair Market Rents (FMRs), which in turn raised the payment standards that are used to calculate rental subsidies for program participants. This increase will help to defray some of the high rental costs faced by program participants. For example, a two-bedroom subsidy was increased from \$1,348 to \$1,415, a 5 percent increase.
- Project based assistance includes **Moderate Rehabilitation, Substantial Rehabilitation and New Construction** and can only be used at designated project sites.
- Section 8 also administers the **Housing Opportunities for Persons With AIDS (HOPWA)** program. Section 8 staff determine initial and ongoing program eligibility for families. The rental assistance provided to these families can only be used in Arlington County. In order to qualify, the family must be very low income and either the head of household or a family member must provide a doctor's statement confirming HIV/AIDS.
- In FY 2004, the Section 8 Office began administering the **Milestones I Program**, funded by the HUD Shelter Plus Care Grant, providing rental assistance to nine homeless individuals with serious mental illness. **Milestones II and III** began providing 12 additional units in FY 2006, six for each program. To date, 17 homeless families have been admitted into the program and are living in various neighborhoods throughout Arlington County.

**SECTION 8 FUND**

**PROGRAM FINANCIAL SUMMARY**

	FY 2006 Actual	FY 2007 Revised	FY 2008 Proposed	% Change '06 to '07
Personnel	\$1,049,197	\$1,104,329	\$1,179,274	7%
Non-Personnel	301,007	297,977	314,687	6%
Housing Assistance Payments	13,347,210	13,098,175	13,887,175	6%
<b>Total Expenditures</b>	<b>14,697,414</b>	<b>14,500,481</b>	<b>15,381,136</b>	<b>6%</b>
<b>Total Revenues</b>	<b>16,461,191</b>	<b>14,500,481</b>	<b>15,381,136</b>	<b>6%</b>
<b>Change in Operating Reserve</b>	<b>\$1,763,777</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Authorized FTEs</b>	<b>17.4</b>	<b>17.4</b>	<b>17.4</b>	
<b>Funded FTEs</b>	<b>17.4</b>	<b>17.4</b>	<b>17.4</b>	

**SIGNIFICANT BUDGET HIGHLIGHTS**

- ↑ Personnel expenditures include normal salary increases, an increase in employer retirement contributions to maintain full funding of the retirement fund, and a 15 percent increase in employer health insurance rates. Several new employees were also hired at higher salary levels than anticipated in FY 2007.
- ↑ Non-personnel expenditures primarily include increases for rent (\$4,871), staff training for new employees (\$5,556), software upgrades (\$4,479), hardware upgrade costs shared with the Department of Environmental Services (\$800), and Auto Fund charges (\$1,032).
- ↑ Housing assistance payments are expected to increase due to a higher lease-up rate and increased FMRs (\$678,000), leasing up additional Milestones units (\$72,000), and a HOPWA increase based on the FY 2007 allocation (\$39,000).
- ↑ Revenue from HUD is anticipated to increase based on expenditure levels.

**PERFORMANCE MEASURES**

Critical Measures	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Estimate	FY 2008 Estimate	FY 2008 Goal
Overall lease-up rate	100%	95%	96%	98%	98%	98%	98%
Number of families served	1,580	1,501	1,517	1,548	1,548	1,548	1,548

  

Supporting Measures	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Estimate	FY 2008 Estimate	FY 2008 Goal
Percent of landlords receiving timely payments	95%	95%	95%	100%	100%	100%	100%
Number of landlords served	400	317	289	289	300	283	N/A

- Overall lease-up rate is the percentage of allowable units from HUD that are leased by program participants. To be considered a high performance agency, HUD requires 98 percent minimum utilization rate for rental subsidies.
- The total number of households that can be assisted by all Section 8 Programs is approximately 1,580.

SECTION 8 HOUSING ASSISTANCE PROGRAM

FUND STATEMENT

	FY 2006 Actual	FY 2007 Budget	FY 2007 Revised	FY 2008 Proposed
<b>Beginning Fund Balance July 1</b>	\$1,218,978	\$1,302,389	\$2,982,755	\$2,982,755
<b>REVENUE</b>				
Housing Assistance	14,767,026	12,777,863	12,777,863	13,527,863
Administrative Fees	1,427,874	1,371,059	1,371,059	1,445,721
Interest	52,356	31,247	31,247	48,240
HOPWA	124,283	140,000	140,000	179,000
Shelter Plus Care (Milestones Prog.)	89,652	180,312	180,312	180,312
HUD Year-end Settlement - Prior Year	-	-	-	-
<b>TOTAL REVENUE</b>	<b>16,461,191</b>	<b>14,500,481</b>	<b>14,500,481</b>	<b>15,381,136</b>
<b>EXPENDITURES</b>				
Housing Assistance Payments	13,122,961	12,777,863	12,777,863	13,527,863
HOPWA	134,597	140,000	140,000	179,000
Shelter Plus Care (Milestones Prog.)	89,652	180,312	180,312	180,312
Administration & Operations	1,350,204	1,402,306	1,402,306	1,493,961
<b>TOTAL EXPENDITURES</b>	<b>14,697,414</b>	<b>14,500,481</b>	<b>14,500,481</b>	<b>15,381,136</b>
<b>Ending Fund Balance June 30</b>	<b>\$2,982,755</b>	<b>\$1,302,389</b>	<b>\$2,982,755</b>	<b>\$2,982,755</b>