



ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item
Meeting of June 12, 2010**

DATE: May 21, 2010

SUBJECT: Funding for Mary Marshall Assisted Living Residence

C. M. RECOMMENDATION:

1. Appropriate \$1,700,000 in Trust and Agency grant funds (799.434100) to the Department of Human Services (DHS) FY 2011 for the development and construction of the Mary Marshall Assisted Living Facility.
2. Authorize the County Manager or his designee to sign an agreement between the County and Arlington Volunteers of America Assisted Living Residence, Inc. (VOA) to provide payments to VOA for construction costs and developer fees at appropriate mile stones when approved as to form by the County Attorney.

ISSUES: This is a request to apply trust and agency funds earmarked for a specified activity. No issues have been identified.

SUMMARY: The Virginia General Assembly approved a \$1.7 million budget amendment during the 2007 session for the development and construction of the Mary Marshall Assisted Living Facility. These funds have been held in a Trust and Agency account as project implementation was delayed. With the construction of the Mary Marshall Assisted Living Facility moving forward, the County Board must authorize the transfer of these grant monies to the general fund and must authorize the County Manager to enter into an agreement with VOA for disbursement of these funds for design costs associated with the project..

BACKGROUND: The Mary Marshall Assisted Living Facility project is a partnership between the County and VOA. The County transferred title of the property to VOA in June 2005 for the sole purpose of developing an assisted living residence for low-income seniors with mental, intellectual and physical disabilities. Pursuant to an agreement with the Department of Human Services, VOA submitted an application for U.S. Department of Housing and Urban Development (HUD) Assisted Living Conversion Program capital funds. HUD awarded VOA a \$4.8 million grant in November 2005 to renovate the vacant 39 unit building, add 13 new units and expand and improve the community and common spaces.

County Manager: MB MAA

County Attorney: WJR / SAM

Staff: Corey Travis and Pamela Gannon, DHS

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This HUD grant, however, did not cover the full costs to renovate, expand and improve the facility. In response to that funding gap, the County was prepared to contribute \$1.0 million in DHS Local Public Assistance Cost Allocation Plan (LPACAP) funds. However, because LPACAP funds were lost in June 2006, making those funds unavailable, the project was suspended. In an effort to secure the necessary funds, the County sought assistance from the State which approved a \$1.7 million grant to the County through the Virginia Department of Social Services during the FY 2008 budget year. In addition, HUD provided to VOA a \$1.7 million supplemental grant and the Enterprise Foundation has granted to VOA \$50,000 for this construction project.

The proposed agreement between the County and VOA for payment of construction costs and developer fees requires the VOA to submit appropriate invoices and proof that the construction has progressed according to the plans and specifications.

FISCAL IMPACT: None for FY2011. All construction expenses are grant funded. After the facility is completed, the County will be responsible for some of the operating costs for the assisted living residence which will require allocation and appropriation of sufficient funds in future budgets.