Fairfax County Redevelopment and Housing Authority

THRIVE

***T**otal **H**ousing **R**einvention for **I**ndividual **S**uccess, **V**ital Services and **E**conomic Empowerment*

Moving to Work Report

Fiscal Year 2019

Submitted: December 20, 2019

The Vision

It is the vision of the Fairfax County Redevelopment and Housing Authority (FCRHA) that affordable housing programs provide more than a roof overhead. Affordable housing – particularly the Fairfax County Rental and Housing Choice Voucher Programs – can be the gateway to a better life and self-sufficiency. Rather than simply surviving, it is the vision of the FCRHA that the families we serve can truly *THRIVE*.

The FCRHA has created the THRIVE initiative – *__T__otal __H__ousing __R__einvention for __I__ndividual Success, __V__ital Services and __E__conomic Empowerment* - to serve as the guiding principle for how we interact with families in our programs. It is our belief that by reinventing the way we do business through Moving to Work - by connecting individuals and families to the services they need to overcome health and personal barriers and by providing employment opportunities – every person can find individual success.

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I. Introduction

Moving to Work (MTW) is a demonstration program that offers Public Housing Authorities (PHAs) the opportunity to design and test innovative, locally-designed housing and self-sufficiency strategies for low-income families by allowing exemptions from existing Public Housing and tenant-based Housing Choice Voucher rules. The program also permits PHAs to combine operating, capital, and tenant-based assistance funds into a single agency-wide funding source, as approved by the U.S. Department of Housing and Urban Development (HUD). The purposes of the MTW program are to give PHAs and HUD the flexibility to design and test various approaches for providing and administering housing assistance that accomplish three primary goals:

1. Reduce cost and achieve greater **cost effectiveness** in Federal expenditures;
2. Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and move to **self-sufficiency**; and
3. **Increase housing choices** for low-income families.

The Fairfax County Redevelopment and Housing Authority's (FCRHA) MTW designation, received in 2013, is a key component of the FCRHA's THRIVE Initiative – – **Total Housing Reinvention for Individual Success, Vital Services and Economic Empowerment.** THRIVE is an overall effort by the FCRHA to ensure that its customers achieve their greatest level of self-sufficiency, while at the same time ensuring the financial viability of its portfolio of affordable housing properties and creating cost efficiencies for its Federal programs.

It is the goal of the FCRHA's THRIVE initiative that every person and family in the FCRHA's programs do more than survive; the FCRHA wants them to THRIVE. The MTW Plan – as part of the THRIVE Initiative – is designed to ensure that individuals and families are provided not only affordable and attractive housing, but are connected to services and support that help them succeed and become self-sufficient. THRIVE will link households to services and programs offered by Fairfax County human services agencies and community non-profit organizations. Such programs will support the concept of self-sufficiency ranging from personal money management, job training, language skills, and health services to even homeownership.

Moving Along the Housing Continuum

The FCRHA provides a continuum of affordable housing ranging from rental vouchers; to moderately priced rental apartments and townhouses; as well as affordable programs for homeownership. Each person or family fits somewhere along this continuum and it is the goal of THRIVE and the FCRHA's MTW Plan to help individuals find the right fit based on income and need – helping them progress along the continuum to self-sufficiency. The THRIVE Housing Continuum (herein referred to as "Housing Continuum") provides the right housing at the right time, based on a household's income and skill set – and allows participating households to move through the different steps of the Housing Continuum as they become more self-sufficient. The four steps in the Housing Continuum provide a range of housing types and subsidy levels, each tied to the attainment of certain self-sufficiency skills.

Step One – Bridging Affordability[1]. The County's Bridging Affordability rental subsidy program is designed to serve extremely low-income households earning 30 percent of the Area Median Income (AMI) and below, including those who are homeless and victims of domestic violence. In Step One, participating households will focus on building basic self-sufficiency skills such as job readiness and financial literacy; receive services aimed at addressing basic self-sufficiency barriers, such as identifying child/elder care needs and assessing health needs; and receive assistance finding employment.

Step Two – Project-based or Tenant-based Housing Choice Voucher. The federal Housing Choice Voucher Programs serve extremely and very low-income households (earning 50 percent of AMI and below) that need assistance in attaining an intermediate self-sufficiency skill set. Participants in Step Two will receive services designed to provide individual job skill development, address transportation needs, and ensure ongoing participation in health care services.

Step Three – Fairfax County Rental Program. The local Fairfax County Rental Program (FCRP) serves low- and moderate-income households (earning 80 percent of AMI and below) working toward an independent skill set, who are able to maintain stable employment, are participating in preventative activities, and are pursuing financial education such as retirement planning and homebuyer training.

Step Four – Homeownership or Unsubsidized Housing. At Step Four, individuals and families will be considered self-sufficient. Staff will refer tenants to the FCRHA's First-Time Homebuyers Program.

Households can enter the Housing Continuum at any step, based on their skills and individual needs, and progress through the Housing Continuum to any step. Households will receive an individual assessment by FCRHA staff to determine what step in the Housing Continuum is right for them. For example, a homeless family that enters Step One/Bridging Affordability can progress directly to Step Three/FCRP if their skills and income increases sufficiently to do so. Similarly, a household may enter Step Three/FCRP directly if their income and skills allow.

[1] Bridging Affordability is a locally-funded rental assistance program that is subject to annual appropriations by the Fairfax County Board of Supervisors.

MTW allows the FCRHA to expand the scope and impact of the THRIVE Initiative. The FCRHA, consistently recognized by HUD as a high-performing Public Housing agency, is using the flexibility that comes with the MTW designation to:

- Create a **housing continuum** that seamlessly couples the County's *local housing program and Federal housing program* and moves customers toward the greatest level of self-sufficiency they are able to attain.
- Expand its already **strong community partnerships** with non-profit organizations to provide self-sufficiency services ranging from "ready-to-rent" training, to job readiness, through homebuyer education and beyond.
- Reduce the regulatory burden both on staff and customers, to allow a greater focus on **people – not paperwork**. MTW changes such as moving to biennially re-certifications permits FCRHA staff to concentrate on facilitating access to self-sufficiency services and opportunities, such as job training and higher education.
- **Align housing resources with community needs**, consistent with the County's yearly-adopted "Housing Blueprint."

Overview of the FCRHA'S Short-Term MTW Goals and Objectives

Fiscal Year (FY) 2019 furthered the on-going work of the THRIVE Initiative and continued with the implementation of several important policies. Following is a list of the FCRHA's MTW activities that are discussed in this FY 2019 Report:

IMPLEMENTED	2019-1	Establish Fairfax County Payment Standards
	2018A-1	Modify the Calculation of the Family Share of Rent
	2018A-2	Establish Shared Housing Program for Rental Assistance Demonstration Project-Based Voucher Program
	2014-1	Reduce Frequency of Reexaminations
	2014-2	Eliminate Mandatory Earned Income Disregard Calculation
	2014-3	Streamline Inspections for Housing Choice Voucher Units
	2014-5	Institute a Minimum Rent
	2014-6	Design and Initiate a Rent Control Study
	2014-9	Increase the Family Share of Rent from 30 Percent to 35 Percent of Family Income in the Housing Choice Voucher and Rental Assistance Demonstration Project-based Voucher Program
	2017-1	Modify the Family Self-Sufficiency Program
	2017-3	Authorization to Establish a Local Moving to Work Project-Based Voucher Program
NOT YET IMPLEMENTED	2018A-3	Increase Initial Maximum Tenant Rent Burden to 45 Percent
	2016-1	Use Moving to Work Funds for Local, Non-Traditional Housing Program
	2016-2	Modify Project-Based Voucher Choice Mobility Criteria
	2017-2	Establish a Gateway to Housing Choice Voucher Program from the Tenant-Based Rental Assistance Program
ON HOLD	2014-4	Streamline Inspections for Public Housing Residents
	2014-8	Allow Implementation of Reduced Payment Standards at Next Annual Reexamination
CLOSED OUT	2014-7	Convert Scattered-Site Public Housing Units to Project-Based Section 8 Assistance
	2015-1	Eliminate Flat Rents in the Public Housing Program

Highlights of the FCRHA's short-term goals and their respective results for FY 2019 include:

1. **Fully Implement Fairfax County Payment Standards and Plan for Phase 2:** The FY 2019 MTW Plan included one newly-proposed activity—the establishment of local Fairfax County rent payment standards using current local rental market data. There are two phases of this activity—the first phase, which was implemented in FY 2019, established one Fairfax County payment standard by bedroom size; and the

second phase, to be proposed in a future MTW Plan, will establish sub-market payment standards to provide an opportunity for resident mobility. This was proposed to provide an avenue to accomplish the goals of Small Area Fair Market Rents (SAFMR), a HUD mandate that requires utilizing different Fairfax Market Rents for each of the 60 ZIP codes in Fairfax County. Analysis found that implementation of SAFMRs would have increased the average cost per unit by $255 in the Housing Choice Voucher Program and would have resulted in serving 600 less families in the program because of this increased cost. Thus, the FCRHA requested a temporary exemption from HUD from the implementation of the SAFMRs and the Fairfax County Payment Standard was utilized beginning in March 2019.

2. **Fully Implement Cost Saving Measures to Minimize Terminations from the Housing Choice Voucher Program due to Federal Budget Cuts, Coupled with Mitigation Strategies to Help Families THRIVE:** Throughout 2017, the HCD collaborated with the THRIVE Advisory Committee, the FCRHA, and local leaders to identify strategies that could be implemented to decrease the average per unit cost of Housing Assistance Payments. The overarching goal during these discussions was to minimize the likelihood of program terminations in the Housing Choice Voucher Program. Policy changes such as eliminating deductions and allowances, increasing the family share of rent for work-able households, and subsidy caps were considered.

   Following rigorous analysis, input from various stakeholders, and discussion with the FCRHA, changes to how the family share of rent is calculated were recommended. These changes are intended to provide long-lasting savings to the program so that the FCRHA can continue to serve existing participants, and provide assistance to new households, as well as fund important development, rehabilitation, and preservation of needed affordable housing in Fairfax County. These changes were proposed in the FY 2018 Amended MTW Plan and implemented in FY 2019.

3. **Rent Reform:** The FCRHA has several FY 2016 Plan activities that were continued to be fully implemented in FY 2019 and beyond. These activities include the rent reform evaluation. These are important activities as we work to make the THRIVE program even more successful for the FCRHA's program participants.

Overview of the FCRHA'S Long-Term MTW Goals

MTW provides the opportunity for the FCRHA to not only focus on its THRIVE Initiative, but to also begin to utilize the block grant flexibility to assist with meeting an important goal of the FCRHA—*to preserve, expand, and facilitate affordable housing opportunities in Fairfax County*. According to the Virginia Center for Housing Research, the total affordable housing gap in Fairfax County for low- and moderate-income renters is approximately 31,630 units. To that end, a long-term Moving to Work goal of the FCRHA is to realize savings through its Federal programs—both through efficiencies in the programs, as well as ultimately moving families to self-sufficiency—and ***to utilize these savings for the development or redevelopment of affordable housing***. This will continue to be a long-term goal of the FCRHA.

II. General Housing Authority Information

A. Housing Stock Information

i. Actual New Project-Based Vouchers

Tenant-based vouchers that the MTW PHA project-based for the first time during the Plan Year. These include only those in which at least an AHAP was in place by the end of the Plan Year.

Property Name	Number of Vouchers Newly Project-Based		Status at End of Plan Year**	RAD?	Description of Project
	Planned*	Actual			
Culpepper Gardens	140	140	100 Leased/40 Committed	No	Multifamily Property
Arrow Brook Centre Apartments	8	0	0 Leased/8 Committed	No	Multifamily Property
The Arden	8	0	0 Leased/8 Committed	No	Multifamily Property
North Hill Senior	25	0	0 Leased/25 Committed	No	Multifamily Property
North Hill I	16	0	0 Leased/16 Committed	No	Multifamily Property
North Hill II	8	0	0 Leased/8 Committed	No	Multifamily Property
Lake Anne	20	0	0 Leased/20 Committed	No	Multifamily Property
Lake Anne I	113	112	0 Leased/113 Committed	No	Multifamily Property
Wesley Huntington	8	0	0 Leased/8 Committed	No	Multifamily Property
	346	252	Planned/Actual Total Vouchers Newly Project-Based		

* Figures in the "Planned" column should match the corresonding Annual MTW Plan.
** Select "Status at the End of Plan Year" from: Committed, Leased/Issued

Please describe differences between the Planned and Actual Number of Vouchers Newly Project-Based:

AHAPs for the properties have not been executed yet.

Actual Existing Project-Based Vouchers
Tenant-based vouchers that the MTW PHA is currently project-basing in the Plan Year. These include only those in which at least an AHAP was in place by the beginning of the Plan Year.

Property Name	Number of Vouchers Newly Project-Based		Status at End of Plan Year**	RAD?	Description of Project
	Planned*	Actual			
Culpepper Gardens	140	140	Leased (1040)/ Committed (20)	No	Multifamily Property
FCRHA	1060	1060	Leased--Yes	Yes	Former Public Housing
Non-profit	388	388	Leased--No	No	Scattered Site
Creekside	108	108	Leased	Yes	Multifamily Property
Lake Anne I	113	112/1	Leased	No	Multifamily Property
	1809	1809	Planned/Actual Total Existing Project-Based Voucher		

*** Figures and text in the "Planned" column should match the corresonding Annual MTW Plan.**
**** Select "Status at the End of Plan Year" from: Committed, Leased/Issued**

Please describe differences between the Planned and Actual Existing Number of Vouchers Project-Based:

Actual Other Changes to MTW Housing Stock in the Plan Year
Examples of the types of other changes can inlcude (but are not limited to): Units held off-line due to relocation or substantial rehabilitation, local non-traditional units to be acquired/developed, etcetera.

Actual Other Changes to MTW Housing Stock in the Plan Year
N/A

iv. General Description of All Actual Capital Expenditures During the Plan Year
Narrative general description of all capital expenditures of MTW funds during the Plan Year.

General Description of All Actual Capital Expenditures During the Plan Year
Robinson Square--install dumpster pads--$16,566.10; Penderbrook--Replace sub-florring--$249,500 and balconies--$120,370; Barkley Square--Fences, roofs, water heaters, HCAC, etc.--$59,175; Colchester--Kitches, baths, carpet and electrical panels--$41,470; Newington--Water heaters, HVAC, kitchen, etc.--$57,994; Shadowood--Kitchens, baths, carpet, etc.--$67,645; Village of Falls Church--Kitchens, baths, etc.--$69,949; Waters Edge--Water Heaters and HVAC--$$35,738; Audubon--HVAC--$96,012 and Parking lot--$5,475.

B. Leasing Information

i. Actual Number of Households Served

Snapshot and unit month information on the number of households the MTW PHA actually served at the end of the Plan Year.

Number of Households Served Through:	Number of Unit Months Occupied/Leased*		Number of Households Served**	
	Planned^^	Actual	Planned^^	Actual
MTW RAD	12,720	12,195	1,060	1,016
MTW Housing Choice Vouchers Utilized	43,848	40,855	3,654	3,404
Planned/Actual Totals	56,568	53,050	4,714	4,420

* "Planned Number of Unit Months Occupied/Leased is the total number of months the MTW PHA planned to have leased/occupied in each category throughout the full Plan Year (as shown in the Annual MTW Plan).
** "Planned Number of Households to be Served" is calculated by dividing the "Planned Number of Unit Months Occupied/Leased" by the number of months in the Plan Year (as shown in the Annual MTW Plan).
^^ Figures and text in the "Planned" column should match the corresponding Annual MTW Plan.

Please describe any differences between the planned and actual households served:

Public Housing units were converted to Project-based Units in December 2018. These are the remaining units and their final five months as Public

Local, Non-Traditional Category	MTW Activity Name/Number	Number of Unit Months Occupied/Leased*		Number of Households to be Served*	
		Planned^^	Actual	Planned^^	Actual
N/A	N/A	N/A	N/A	N/A	N/A
	Planned/Actual Totals	0	0	0	0

* The sum of the figures provided should match the totals provided for each Local, Non-Traditional category in the previous table. Figures should be given by individual activity. Multiple entries may be made for each category if applicable.

^^ Figures and text in the "Planned" column should match the corresponding Annual MTW Plan.

Households Receiving Local, Non-Traditional Services Only	Average Number of Households Per Month	Total Number of Households in the Plan Year
N/A	N/A	N/A

ii. Discussion of Any Actual Issues/Solutions Related to Leasing

Discussion of any actual issues and solutions utilized in the MTW housing program listed.

Housing Program	Description of Actual Leasing Issues and Solutions
MTW Public Housing	N/A
MTW Housing Choice Voucher	N/A

C. Waitlist Information

Actual Waiting List Information
Snapshot information on the actual status of MTW waiting lists at the end of the Plan Year. The "Description" column should detail the structure of the waiting list and the population served.

Waiting List Name	Description	Number of Households on Waiting List	Waiting List Open, Partially Open, or Closed	Was the Waiting List Opened During the Plan Year
Housing Choice Voucher: Tenant-Based	MTW Housing Choice Voucher Program	1900	Partially Open	Opened January 2019
Public Housing/RAD	RAD Project-based Vouchers	1500	Partially Open	Opened July 2018 for 2 Weeks

Please describe any duplication of applicants across waiting lists:

Applicants have the opportunity to apply to multiple rental assistance programs and often appear on multiple wait lists.

ii. Actual Changes to the Waiting List in the Plan Year
Please describe any actual changes to the organizational structure or policies of the waiting lists(s), including any opening or closing of a waiting list, during the Plan Year.

Waiting List Name	Description of Actual Changes to Waiting List
Housing Choice Voucher: Tenant-Based	N/A
Housing Choice Voucher: Project-Based	N/A

D. Information on Statutory Objectives and Requirements

75% of Families Assisted are Very Low Income
HUD will verify compliance with the statutory requirement that at least 75% of the households assisted by the MTW PHA are very low income for MTW public housing units and MTW HCVs through HUD systems. The MTW PHA should provide data for the actual families housed upon admission during the PHA's Plan Year reported in the "Local, Non-Traditional: Tenant-based"; "Local, Non-Traditional: Property-Based"; and "Local, Non-Traditional: Homeownership" categories. Do not include households reported in the "Local, Non-Traditional Services Only" category.

Income Level	Number of Local, Non-Traditional Households Admitted in the Plan Year
80%-50% Area Median Income	N/A
49%-30% Area Median Income	N/A
Below 30% Area Median Income	N/A
Total Local, Non-Traditional Households Admitted	0

Maintain Comparable Mix
HUD will verify compliance with the statutory requirement that MTW Phas continue to serve a comparable mix of families by family size by first assessing a baseline mix of family sizes served by the MTW PHA prior to entry into the MTW demonstration (or the closest date with available data) and compare that to the current mix of family sizes served during the Plan Year.

Baseline Mix of Family Sizes Served (upon entry to MTW)					
Family Size	Occupied Public Housing Units	Utilized HCVs	Non-MTW Adjustments*	Baseline Mix Number	Baseline Mix Percentage
1 Person	312	1,158	0	1,470	34%
2 Person	275	710	0	985	23%
3 Person	185	493	0	678	16%
4 Person	125	355	0	480	11%
5 Person	86	289	0	375	9%
6+ Person	59	239	0	298	7%
Total	1,042	3,244	0	4,286	100%

* Non-MTW Adjustments" are defined as factos that are outside the control of the MTW PHA. An ecxample of an acceptable "Non-MTW Adjustment" would include demographic changes in the community's overall population. If the MTW PHA includes "Non-MTW Adjustments", a thorough justification, including information substantiating the numbers given, should be included below.

Please describe the justification for any "Non-MTW Adjustments" give below:

N/A

Mix of Family Sizes Served (in Plan Year)					
Family Size	Baseline Mix Number	Baseline Mix Percentage**	Number of Households Served in Plan Year^	Percentage of Households Served in Plan Year^^	Percentage Change from Baseline Year to Current Plan Year
1 Person	1,470	34%	1,746	38%	4%
2 Person	985	23%	1,000	22%	-1%
3 Person	678	16%	644	14%	-2%
4 Person	480	11%	511	11%	0%
5 Person	375	9%	322	7%	-2%
6+ Person	298	7%	347	8%	1%
Total	4,286	100%	4,570	100%	0%

** The "Baseline Mix Percentage" figures given in the "Mix of Family Size Served (in Plan Year)" table should match those in the column of the same name in the "Baseline Mix of Family Sizes Served (upon entry to MTW)" table.

^ The "Total" in the "Number of Households Served in Plan Year" column should match the "Actual Total" box in the "Actual Number of Households Served in the Plan Year" table in Section II.B.i of this Annual MTW Report.

^^ The percentages in this column should be calculated by dividing the number in the prior column for each family size by the "Total" number of households served in the Plan Year. These percentages will reflect adjustment to the mix of families served that are due to the decisions of the MTW PHA. Justification of percentages in the current Plan Year that vary by more than 5% from the Baseline must be provided below.

Please describe the justification for any variances of more than 5% between the Plan Year and Baseline Year:

N/A

III. Proposed MTW Activities: HUD Approval Requested

All proposed MTW activities that were granted approval by HUD are reported in Section IV as Approved Activities.

IV.A. Approved MTW Activities: Implemented

The following MTW activities are currently being implemented. A summary and status update on these activities follows:

ACTIVITY	
2014-1	Reduce Frequency of Reexaminations
2014-2	Eliminate Mandatory Earned Income Disregard Calculation
2014-5	Institute a Minimum Rent
2014-6	Design and Initiate a Rent Control Study
2014-9	Increase the Family Share of Rent from 30 Percent to 35 Percent of Family Income in the Housing Choice Voucher and Rental Demonstration Program Project-based Voucher Programs
2017-1	Modify the Family Self-Sufficiency Program
2017-3	Authorization to Establish a Local Moving to Work Project-Based Voucher Program
2018A-1	Modify the Calculation of the Family Share of Rent for the Housing Choice Voucher Program
2018A-2	Establish Shared Housing Program in Project-Based Voucher Program
2018A-3	Increase Initial Maximum Tenant Rent Burden to 45 Percent
2019	Establish Fairfax County Payment Standards

2014-1 Reduction in Frequency of Reexaminations

Cost Effectiveness

Self-Sufficiency

Increase Housing Choice

Year Approved: FY 2014
Implemented: FY 2014 and FY 2018
Amended: N/A

Description of Activity/Impact/Update

The objectives of this activity are to provide a work incentive for all families and to reduce the burden on staff and families by reducing the frequency of income reexaminations. The FCRHA proposed the following changes:

- Reexaminations will be reduced from annually to once every two years. Families that claim to have zero income will continue to meet with FCRHA staff regularly.
- Reexaminations for families on fixed incomes (only SSI, SSDI, SS, or pensions, or any combination of those sources) will be conducted every three years.
- Interim increases—that is, increases in income between annual reexaminations—will be disregarded until the next scheduled biennial or triennial reexamination.

- Interim decreases, a reported decrease in income, will be limited to one during a calendar year and no interim decreases during the first six months after initial occupancy.

The reduction in the frequency of reexaminations provides an incentive to work for all families—including elderly families and/or people with disabilities who wish to be employed—who will not be subject to a rent increase when their income increases as a result of self-sufficiency successes such as new employment or job promotion. Through this activity, the FCRHA is reducing the regulatory burden both on the participant families and staff to allow a greater focus on people—not paperwork.

Update

In early 2014, the FCRHA started the implementation of this activity by informing HCV households and all those households in the Public Housing Pilot Portfolio (now RAD) about the biennial/triennial reexamination cycle. In July 2014, the FCRHA began phasing in affected households to the alternate reexamination schedule it was completely phased in by June 2016. In January 2018 the FCRHA began implementation of its new interim policy in the Housing Choice Voucher Program. Analysis is being conducted to determine its true impact on the participants and program.

Activity Metrics

CE #1: Agency Cost Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total cost of task in dollars (decrease).	This baseline was set using FY 2014 data. $30.2386 average hourly pay of reexamination specialists X 19,345 total staff hours for reexaminations (see CE #2 baseline) = $584,965 total cost for reexaminations	**HCV:** This activity was fully implemented in FY 2016. **PH:** The alternate reexamination schedule applied immediately to the Pilot PH Portfolio. Reduced PH staff time will yield reduced cost to process PH reexaminations. $30.2386 average hourly pay of reexamination specialists X 18,334 total staff hours for reexaminations = $554,394 total	All HCV holders received their last regular reexamination in FY 2016. $41.77 average hourly pay of reexamination specialists X 6,945 total staff hours for reexaminations (see CE#2 benchmark) = $290,092 total cost for reexaminations	There was a significant cost savings due to this alternate reexamination schedule.

		cost for reexaminations		

CE #5: Increase in Agency Rental Revenue				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Rental revenue in dollars (increase).	FY 2014 HCV estimated HAP disbursements were $43,389,711. FY 2014 Public Housing estimate rental revenue was $5,248,624.	No change in rental revenue is expected in FY 2016 as a result of alternate reexaminations. FY 2015 HCV estimated HAP disbursements are $42,440,227. FY 2015 Public Housing estimated rental revenue is $6,187,194.	FY 2016 HCV actual HAP disbursements was $46,931,597. FY 2016 Public Housing actual rental revenue was $5,939,438.	There was no increase or decrease in agency rental revenue as a result of alternate reexaminations.

SS #1: Increase in Household Income				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average earned income of households affected by this policy in dollars (increase).	This baseline was set using FY 2014 data. Average earned income of HCV households is $24,504. Average earned income of PH households in the Pilot PH program is $24,993.	Expected average earned income of HCV households was $24,504 in FY 2014. Expected average earned income of PH households was $24,993 in FY 2014. Update for FY 2016: Data used was total annual income previous. The metric is now being calculated using earned income.	The average earned income of Public Housing households in the Pilot properties was $21,533. The average earned income of HCV households was $20,046.	A change in earned income is not expected due to this activity.

CE #2: Staff Time Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total time to complete the task in staff hours (decrease).	This baseline was set using FY 2014 data. Survey of staff revealed that staff spends on average 5 hours processing each reexamination. 5 hours X 3,532 HCV reexaminations=17,660 HCV staff hours + 5 hours X 337 PH Pilot Portfolio reexaminations =1,685 PH staff hours =19,345 total staff hours for reexaminations	5 hours X 3,532 HCV reexaminations = 17,660 HCV staff hours + 5 hours X 337 Pilot PH reexaminations = 1,685 PH staff hours = 19,345 total staff hours dedicated to reexaminations.	5 hours X 1,326 HCV reexaminations conducted in FY 2016 = 6,630 HCV staff hours + 5 hours X 63 Pilot PH reexaminations conducted in FY 2016 = 315 PH staff hours = 6,945 total staff hours dedicated to reexaminations.	There was a significant savings of staff time due to this activity.

SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
1. Employed Full-Time	Full-time employment is not tracked separately from part-time employment. They will be reported together under (6) below.	N/A	N/A	N/A
2. Employed Part-Time	Part-time employment is not tracked separately from full- time employment. They will be reported together under (6) below.	N/A	N/A	N/A
3. Enrolled in an Educational Program	This data was not tracked previously prior to FY 2015 and required the addition of a new data element to the database. The initial baseline is zero.	No change in the number of heads of households enrolled in an educational program is expected as a result of Alternate Reexaminations. This will be tracked in the PH Pilot. The benchmark is zero.	5 household members entered an educational/training program in FY 2016.	The number was larger than expected because of the quick start- up of the Public Housing Pilot Portfolio.
4. Enrolled in Job Training Program	This data was not previously tracked prior to FY 2015 and required the addition of a new data element to the database. The initial baseline is zero.	FY 2015 marked the beginning of this activity (FY 2015 for the PH Pilot Portfolio and FY 2016 for HCV).	5 household members entered an educational/training program in FY 2016.	The number was larger than expected because of the quick start-up of the PH Pilot Portfolio.
5. Unemployed	In FY 2014, the total number of families with a head of household that was neither elderly nor disabled (i.e.	No change in the number of unemployed heads of households is expected as result of alternate reexaminations.	At the end of FY 2016, there were 497 families with a head of household that was neither elderly nor disabled and had no earned income.	No additional outcome is expected.

	"employable"), and had no earned income is 664.	The total number of families in HCV program/PH Pilot portfolio with a head of household that is neither elderly nor disabled and has no earned income is 664 in FY 2014.		
6. Other: Employed Part- or Full-Time	The total number of families with a head of household that is neither elderly nor disabled (i.e. "employable"), and has earned income is 1495 in FY 2015.	No change in the number of employed heads of households is expected as a result of alternate reexaminations. The total number of families with a head of household that is neither elderly nor disabled and has earned income in FY 2015 is 1,495.	7 heads of household gained employment due to the Public Housing Pilot Portfolio increase in service coordination. The total number of households in HCV and the Public Housing Pilot Portfolio that are neither elderly nor disabled and have an earned income is 1,678.	The benchmark was exceeded throughout the HCV and Public Housing programs.

SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving TANF assistance (decrease).	Total number of Public Housing and HCV households receiving TANF assistance is 181.	No change in the number of households receiving TANF is expected as a result of alternate reexaminations. Total number of Public Housing and HCV households receiving TANF assistance is 181.	At the end of FY 2016, 199 families were receiving TANF.	In FY 2016 there was a small increase in the number of families on TANF.

SS #8: Households Transitioned to Self-Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
For the purposes of collecting this metric only, the FCRHA is defining self-sufficiency as a household that is no longer receiving subsidy (in HCV) or is at 100% AMI (in PH).	The baseline is zero.	No households are expected to transition to self-sufficiency in FY 2015 as a result of Alternate Reexaminations since FY 2015 will mark the beginning of this activity (FY 2015 for the Public Housing Portfolio and FY 2016 for HCV). The benchmark is zero.	3 households transitioned to self-sufficiency in FY 2016—the first year this activity was fully implemented.	The number was larger than expected because of the quick start-up of the Public Housing Pilot Portfolio. Until the interim policy is fully (FY 2020) implemented, this activity will not impact self-sufficiency.

This activity was partially implemented in FY 2014. The metrics were reported after the implementation of the alternate reexamination schedule. The new interim policy was implemented in January 2018. The metrics will be updated in FY 2020 after a full cycle of its implementation.

Annual Reevaluation of Rent Reform Initiative: Outcomes will be measured and reviewed annually using the metrics described above and, if necessary, the activity will be revised to mitigate negative impacts.

Hardship Case Criteria: Families impacted by the reduction in the frequency of reexaminations are subject to the FCRHA's Hardship Policy. There were no hardship requests for this activity in FY 2019.

Actual Non-Significant Changes

The Interim Policy was implemented in January 2018.

Actual Changes to Metrics/Data Collection

There are no changes to the metrics or data collection to report for this activity.

Actual Significant Changes

There are not changes to report regarding this activity.

Challenges to Achieving Benchmarks and Possible Strategies

There are no challenges expected to achieve the benchmarks related to this activity.

2014-2 Eliminate Mandatory Earned Income Disregard Calculation

Cost Effectiveness

Self-Sufficiency

Increase Housing Choice

Year Approved: **FY 2014**
Implemented: **FY 2014**
Amended: **N/A**

Description of Activity/Impact/Update

Eliminating the Mandatory Earned Income Disregard (EID) calculation was an opportunity for cost effectiveness and allowed staff to reallocate resources toward self-sufficiency development. EID regulations are cumbersome to apply yet affect only one percent of families in the Public Housing and Housing Choice Voucher programs. The FCRHA believes the time spent on complying with this relatively obscure calculation is better used to help families with Individual Development Plans and goal-setting.

As part of the HUD-mandated EID calculation, any family in the Public Housing program, and any family in the HCV program that included a member(s) with disabilities, was eligible for EID when an unemployed or under-employed family member obtained a job or increased their wages. The resulting income increase was fully excluded for 12 months and 50 percent excluded for an additional 12 months. In FY 2011, only 52 families in the FCRHA's Public Housing and HCV programs benefited from the EID calculation.

In its FY 2014 MTW Plan, the FCRHA proposed eliminating the HUD-mandated EID calculation and in February 2014 began notifying affected families. In order to allow families to prepare for any potential changes in rent, families that received notification within three months of their reexaminations were phased out at their second annual reexamination. The FCRHA completed this activity and eliminate all use of the EID calculation in Fiscal Year 2015. No new families will receive the disregard; that is, the EID calculation will no longer be included as part of any rent calculation.

Activity Metrics

CE #1: Agency Cost Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total cost of task in dollars (decrease).	$30.2386 average hourly staff pay X 130 staff hours to track EID calculations (see CE #2) = $3,931 total cost to track EID calculations	The EID calculation has been eliminated. The benchmark is a cost savings of $3,931.	FY 2015--$31.13 average hourly staff hours X 130 staff hours = $4,046.90 savings.	The benchmark was achieved in FY 2015. The difference between the expected and actual cost of this task is due to staff pay.

CE #2: Staff Time Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total time to complete the task in staff hours (decrease).	Survey of staff revealed that staff spends on average 2.5 hours tracking EID calculations. 2.5 hours X 52 households with EID = 130 total staff hours to track EID calculations.	The EID calculation has been eliminated. The benchmark is a staff time savings of 130 hours.	The estimated time savings in FY 2015 was 130 staff hours.	The benchmark was achieved and completed in FY 2015.

CE #3: Decrease in Error Rate of Task Execution				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average error rate in completing a task as a percentage (decrease).	The average error rate associate with EID calculations was 6 percent in FY 2014.	The EID calculation has been eliminated. There are no errors associated with this task. The benchmark is zero percent error rate.	Since the EID calculation was eliminated, the actual error rate is zero percent.	The benchmark was achieved and completed in FY 2015.

CE #5: Increase in Agency Rental Revenue				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Rental revenue in dollars (increase).	FY 2014 HCV estimated HAP disbursements are $43,389,711. FY 2014 Public Housing estimated rental revenue is $5,248,624.	Due to a limited number of families benefiting from the EID calculation, a negligible increase in rental revenue is anticipated.	FY 2016 HCV actual HAP disbursements was $46,931,597. FY 2016 Public Housing actual rental revenue was $5,939,438.	There was no change of agency rental revenue in FY 2015 because of the elimination of the EID. This activity was completed in FY 2015.

This activity is fully implemented. There are no changes to the metrics—and they are no longer measureable because the activity is completed.

Actual Non-Significant Changes

There are not changes to report regarding this activity.

Actual Changes to Metrics/Data Collection

There are no changes to the metrics or data collection to report for this activity.

Actual Significant Changes

There are not changes to report regarding this activity.

Challenges to Achieving Benchmarks and Possible Strategies

There are no challenges expected to achieve the benchmarks related to this activity.

2014-5 Institute a New Minimum Rent

Cost Effectiveness
Self-Sufficiency
Increase Housing Choice

Year Approved: FY 2014
Year Reproposed: FY 2016
Implemented: FY 2018
Amended: FY 2018

Description of Activity/Impact/Update

In order to achieve the next level of self-sufficiency and move through the Housing Continuum, families that are able to work must be engaging in some type of self-sufficiency activity. Families need to be working, looking for work, in school, or in a job training program if they are to be successful at moving through the Housing Continuum.

The activity was first approved in the FCRHA 2014 MTW Plan and was reproposed and approved in the FY 2016 MTW Plan. In an effort to encourage families that are able to work to seek employment and stay employed, the FCRHA proposed a new minimum rent based on working wages. Specifically, the FCRHA proposed to increase the minimum rent from $50 to $220 per month for work-able families. This rent is based on one family member working 20 hours per week for four weeks during the month earning the minimum wage of $7.25. This policy was initially proposed to be piloted with families in several properties in the FCRHA's Public Housing portfolio (THRIVE Pilot Portfolio) to best gauge the effects of raising the minimum rent on efforts to encourage families to work. The pilot properties were Greenwood, West Ford, and The Park. However, since then, all of the Public Housing units converted to Rental Assistance Demonstration Project-based Vouchers (RAD PBV).

Impact Analysis: Instituting a new minimum rent implemented with eligible households in the Greenwood, The Park, and West Ford affected a total of 267 units. Although the FCRHA does not anticipate that instituting a new minimum rent will disproportionately affect households in any specific group, raising the minimum rent may have the unintended consequence of increasing the number of families that are not able to make full and timely rent payments. In FY 2015 in all Public Housing units, 46 work-able families paid the current minimum rent, with 15 households living at Greenwood, The Park and West Ford communities. If minimum rent was raised to $220 from $50 beginning July 1, 2016 and none of the families' gain additional employment, 39 households living in the three Public H communities Greenwood, West Ford and The Park would have been impacted.

Annual Reevaluation of Rent Reform Initiative: Outcomes will be measured and reviewed annually using the metrics described above and, if necessary, the activity will be revised to mitigate negative impacts.

Hardship Case Criteria: Families eligible for the minimum rent are subject the FCRHA's Hardship Policy. Because this activity has not been fully implemented, there have been no hardship requests.

Update on Implementation of Activity/Timeline

The FCRHA began implementation of the minimum rent activity in 2015. On-site staffing was instituted at the three Public Housing sites; a reduction in the frequency of reexaminations was started; HCD met with Yardi to develop the specifications for the programming necessary for minimum rent and rent reform; and baseline data on the Public Housing residents was provided to George Mason University for the rent reform evaluation. Unfortunately, after this initial implementation, a technical road block was met. Fairfax County representatives from the County Attorney's Office, the Department of Information Technology (DIT), and the FCRHA spent over two years negotiating a renewal contact with Yardi—much of the time dealing with the security/protection of the FCRHA's data when moving to a private cloud. Fortunately, the Yardi contact was finally signed by both parties in June 2016. Once the contract was signed, DIT, HCD and Yardi worked together and moved Yardi to the cloud for the FCRHA by November 2016 and the software was upgraded in September 2017. These negotiations, movement to the cloud, and software upgrades took longer than expected and delayed the full implementation of this activity because of the necessity of having Yardi manage this function.

While waiting for the Yardi upgrade, all of the Public Housing sites were converted to RAD PBVs. Further, while addressing budget cuts and increasing rents in the Housing Choice Voucher Program, a new minimum rent was proposed for the Housing Choice Voucher Program in the FY 2018 Amended MTW Plan. The minimum rent is expected to be implemented for work-able households in the Housing Choice Voucher Program in FY 2019. It was determined, however, not to implement the minimum rent with the rent reform activity for the RAD PBV participants—that understanding the impact of an incentive to working would be more valuable.

Activity Metrics

SS #1: Increase in Household Income				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average earned income of households affected by this policy in dollars (increase).	This baseline was set using FY 2014 data. Average earned income of HCV households is $24,504. Average earned income of Public Housing households is $24,993.	Expected average earned income of HCV households is $24,504. Expected average earned income of Public Housing households is $24,993. This benchmark is being adjusted to look at earned income, not annual income.	The average earned income of Pilot Portfolio Public Housing households was $21,533. The average earned income of HCV households was $20,046.	This activity has not been fully implemented.

SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
1. Employed Full-Time	Full-time employment is not tracked separately from part-time employment. They will be reported together under (6) below.	N/A	N/A	N/A
2. Employed Part-Time	Part-time employment is not tracked separately from full- time employment. They will be reported together under (6) below.	N/A	N/A	N/A
3. Enrolled in an Educational Program	This data was not tracked previously prior to FY 2015 and required the addition of a new data element to the database.	No change in the number of heads of households enrolled in an educational program is expected. This will be tracked	5 household members entered an educational/training program in FY 2016.	This activity has not been fully implemented and therefore this outcome is not attributable to it.

	The initial baseline is zero.	in the Public Housing Pilot. The benchmark is zero.		
4. Enrolled in Job Training Program	This data was not previously tracked prior to FY 2015 and required the addition of a new data element to the database. The initial baseline is zero.	No change in the number of heads of households enrolled in a training program is expected.	5 household members entered an educational/training program in FY 2016.	This activity has not been fully implemented and therefore this outcome is not attributable to it.
5. Unemployed	In FY 2014, the total number of families with a head of household that was neither elderly nor disabled (i.e. “employable”), and had no earned income is 664.	No change in the number of unemployed heads of households is expected. The total number of families with a head of household that is neither elderly nor disabled and has no earned income is 664.	At the end of FY 2016, there were 497 families in the Public Housing Pilot portfolio and the HCV program with a head of household that was neither elderly nor disabled and had no earned income.	This activity has not been fully implemented.
6. Other: Employed Part- or Full-Time	The total number of families with a head of household that is neither elderly nor disabled (i.e. "employable"), and has earned income is 1495.	No change in the number of employed heads of households is expected. The total number of families with a head of household that is neither elderly nor disabled and has earned income was 1495 in FY 2015.	7 heads of household gained employment due to the Public Housing Pilot Portfolio increase in service coordination. The total number of households that are neither elderly nor disabled in HCV and the Public Housing Pilot Portfolio and have an earned income is 1,678.	This activity has not been fully implemented.

SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving TANF assistance (decrease).	Total number of Public Housing and HCV households receiving TANF assistance is 181.	No change in the number of households receiving TANF is expected. Total number of Public Housing and HCV households receiving TANF assistance is 181.	At the end of FY 2016, 199 families were receiving TANF.	This activity has not been fully implemented.

SS #6: Reducing Per Unit Subsidy Costs for Participating Households				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	The average yearly subsidy per unit in FY 2015 was $3,918.	The average monthly subsidy per unit was not expected to change in FY 2016 as a result of this activity.	This activity has not been fully implemented.	This activity has not been fully implemented.

SS #7: Increase in Agency Rental Revenue				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
PHA rental revenue in dollars (increase).	In FY 2015, the actual rental revenue was $5,467,446.	In FY 2016, the estimated rental revenue is $6,228,558.	This activity has not been fully implemented.	This activity has not been fully implemented.

SS #8: Households Transitioned to Self-Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
For the purposes of collecting this metric only, the FCRHA is defining self-sufficiency as a household that is no longer receiving subsidy (in HCV) or is at 100% AMI (in PH).	The baseline is zero.	No households are expected to transition to self-sufficiency in FY 2015 as a result of Alternate Reexaminations since FY 2015 will mark the beginning of this activity (FY 2015 for the Public Housing Portfolio and FY 2016 for HCV). The benchmark is zero.	This activity has not been fully implemented.	This activity has not been fully implemented.

There are no changes to the metrics, outcomes, or benchmarks.

Actual Non-Significant Changes

The minimum rent has been implemented for the Housing Choice Voucher Program; however, it has not been implemented for the RAD PBV Program.

Actual Changes to Metrics/Data Collection

There are no changes to the metrics or data collection to report for this activity.

Actual Significant Changes

The FCRHA clarified who may be exempt from this activity in the FY 2018 Amended MTW Plan. Work-able families will be impacted by the minimum rent increase. The definitions of work-able and non work-able are as follows:

Definition of Non Work-able	For a household to be considered non work-able, (1) the head of household (as well as the co-head of household, if applicable) must be elderly or disabled and be on a fixed income (i.e., their income may include only SSI, SSDI, SS, pensions, General Assistance or any combination of those sources); and (2) all other household members 18 years or older must be elderly or disabled and on a fixed income, or enrolled in full-time school or job training program.
Definition of Work-able	Any household with members 18 years or older who are not elderly or disabled and on a fixed income (SSI, SSDI, SS, pensions or General Assistance or any combination of these sources) or enrolled in full-time school or job training program.

Challenges to Achieving Benchmarks and Possible Strategies

There are no challenges expected to achieve the benchmarks related to this activity.

2014-6 Design and Initiate a Rent Control Study

Cost Effectiveness

Self-Sufficiency

Increase Housing Choice

Year Approved: FY 2014
Year Reproposed: FY 2016
Implemented: FY 2018
Amended: FY 2018

Description of Activity/Impact/Update

The activity was first approved in the FCRHA's 2014 MTW Plan and was reproposed and approved for HUD approval in the FY 2016 MTW Plan.

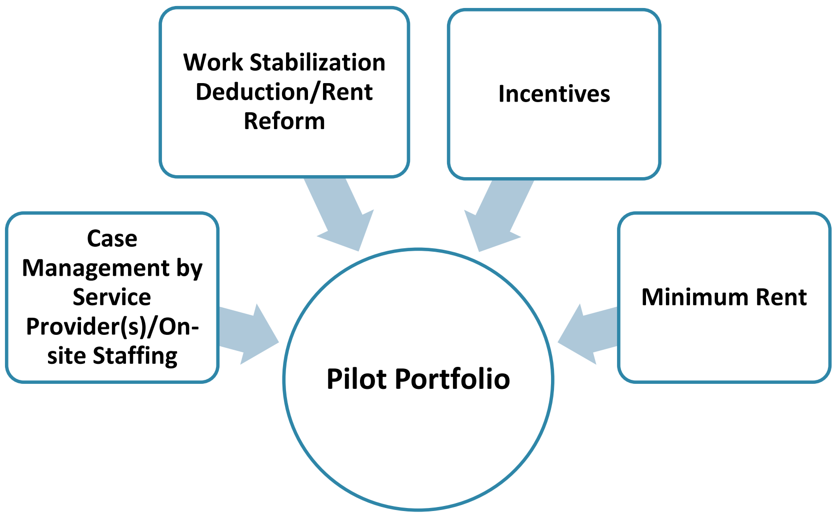
The FCRHA's Rent Control Study is an alternate rent strategy for incentivizing families to increase their income and savings through a simplified approach to calculating a family's adjusted income by:

- Continuing to exclude income directly related to achieving self-sufficiency, such as income from training programs and student financial assistance;
- Utilizing a "work stabilization" deduction to replace existing deductions. The new Work Stabilization Deduction will equal 20 percent of the family's gross earned income;
- Alternating income reexaminations every two years so families can take advantage of income increases without a resulting rent increase;
- Providing case management services through a contract with non-profit organizations that will focus on moving families toward self-sufficiency and partnering with SkillSource, the local Workforce Development Board employment one-stop organization, to provide a dedicated employment specialist;
- Providing incentives for families that meet self-sufficiency goals; and
- Implementing a minimum rent to further encourage families to work. This activity is discussed under MTW Activity 2014-5 Institute a New Minimum Rent.

Staff from the HCD, together with the THRIVE Rent Reform Subcommittee, met regularly with George Mason University's Center for Regional Analysis and Center for Social Science Research to design the study. The study focuses on three large Rental Assistance Demonstration Project-based Voucher (PBV RAD) properties (formally Public Housing properties)—Greenwood, The Park, and West Ford--in the THRIVE Pilot Portfolio with a total of 267 units.[2] Residents in the Pilot Portfolio participate in the new minimum rent, the new rent reform, a self-sufficiency incentive program, and receive case

[2] A randomized selection of units is not possible as individual units receiving different rent structures would risk "contamination" effect and prevent efficient service delivery at centralized property locations.

management/self-sufficiency services through a non-profit organization as well as assistance from on-site staff (see following illustration).



The control group consist of residents living outside of the THRIVE Pilot Portfolio whose minimum rent and rent calculation will remain unchanged. The control group is not receiving incentives or services beyond those generally available on their properties or in the community.

The George Mason University study has identified and will report on independent, control and dependent variables and outcomes and primary data collection are coming from FCRHA database records. The study will report on self-sufficiency metrics including changes to household income and savings, need for Temporary Assistance to Needy Families (TANF), changes in housing subsidies, and participation in services that increase self-sufficiency. The final George Mason University report will include a discussion of methodology and findings. Recommendations will cover substantive implications for the FCRHA, as well as suggestions for additional housing program research.

The FCRHA anticipates that as a result of the rent reform activities:

- There will be an increase in average household income;
- There will be an increase in average household savings;
- Fewer households will remain on TANF;
- All households in the study pilot group will be assisted with services aimed at increasing self-sufficiency; and
- There will be a reduction in the average unit subsidy of households in the pilot group.

Impact Analysis: A description of this rent reform initiative to institute a new minimum rent, its anticipated impacts, and the metrics that will be used to assess the impacts of this reform are discussed above. The FCRHA does not anticipate that the rent reform study will disproportionately affect households in any specific group; elderly and disabled households will not be part of the study. In FY 2015, 618 families would have paid an average rent of approximately $632 based on a 35 percent share of rent. The average deduction for these families is anticipated to be approximately $1,258. Based on FY 2015 data, under the proposed rent reform, the new work stabilization deduction would increase to approximately $4,148 and the average family share of rent would decrease to approximately $566. The FCRHA anticipates that the reduced rent, coupled with incentives and case management services, will result in increased household savings, achievement of family self-sufficiency goals and movement of families along the Housing Continuum.

Annual Reevaluation of Rent Reform Initiative: Outcomes are measured and reviewed annually using the metrics described above and, if necessary, the activity will be revised to mitigate negative impacts.

Hardship Case Criteria: Families in the pilot properties will be subject the FCRHA's Hardship Policy. Because it has not been implemented, there have been no hardship requests.

Transition Period: All families in the pilot properties will receive at least a ninety-day notice prior to implementation of the new reform policies.

Update on Implementation of Activity/Timeline

The FCRHA began implementation of the minimum rent activity in 2015. On-site staffing was instituted at the three Public Housing sites; a reduction in the frequency of reexaminations was started; HCD met with Yardi to develop the specifications for the programming necessary for minimum rent and rent reform; and baseline data on the Public Housing residents was provided to George Mason for the rent reform evaluation. Unfortunately, after this initial implementation, a technical road block was met. Fairfax County—the County Attorney's Office, the Department of Information Technology (DIT), and the FCRHA--and Yardi spent over two years negotiating a renewal contact for Yardi—much of the time dealing with the security/protection of the FCRHA's data when moving to a private cloud. Fortunately, the Yardi contact was finally signed by both parties in June 2016. Once the contract was signed, DIT, HCD and Yardi worked together and moved Yardi to the cloud for the FCRHA by November 2016 and the software was upgraded in September 2017. These negotiations, movement to the cloud, and software upgrades took longer than expected and delayed the full implementation of this activity because of the necessity of having Yardi to manage this function.

While waiting for the Yardi upgrade, all of the Public Housing sites were converted to Rental Assistance Demonstration Project-based Vouchers (RAD PBV). Further, the FCRHA, while addressing budget cuts and increasing rents in the Housing Choice Voucher Program, proposed the new minimum rent for the Housing Choice Voucher Program in the FY 2018 Amended MTW Plan.

Activity Metrics

SS #1: Increase in Household Income				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average earned income of households affected by this policy in dollars (increase).	This baseline was set using FY 2014 data. Average earned income of HCV households is $24,504. Average earned income of Public Housing households is $24,993.	Expected average earned income of HCV households is $24,504. Expected average earned income of Public Housing households is $24,993. This benchmark is being adjusted to look at earned income, not annual income.	The average earned income of Pilot Portfolio Public Housing households was $21,533. The average earned income of HCV households was $20,046.	This activity has not been fully implemented.

SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
1. Employed Full-Time	Full-time employment is not tracked separately from part-time employment. They will be reported together under (6) below.	N/A	N/A	N/A
2. Employed Part-Time	Part-time employment is not tracked separately from full- time employment. They will be reported together under (6) below.	N/A	N/A	N/A

3. Enrolled in an Educational Program	This data was not tracked previously prior to FY 2015 and required the addition of a new data element to the database. The initial baseline is zero.	No change in the number of heads of households enrolled in an educational program is expected. This will be tracked in the Public Housing Pilot. The benchmark is zero.	5 household members entered an educational/training program in FY 2016.	This activity has not been fully implemented and therefore this outcome is not attributable to it.
4. Enrolled in Job Training Program	This data was not previously tracked prior to FY 2015 and required the addition of a new data element to the database. The initial baseline is zero.	No change in the number of heads of households enrolled in a training program is expected.	5 household members entered an educational/training program in FY 2016.	This activity has not been fully implemented and therefore this outcome is not attributable to it.
5. Unemployed	In FY 2014, the total number of families with a head of household that was neither elderly nor disabled (i.e. “employable”), and had no earned income is 664.	No change in the number of unemployed heads of households is expected. The total number of families with a head of household that is neither elderly nor disabled and has no earned income is 664.	At the end of FY 2016, there were 497 families in the Public Housing Pilot portfolio and the HCV program with a head of household that was neither elderly nor disabled and had no earned income.	This activity has not been fully implemented.
6. Other: Employed Part- or Full-Time	The total number of families with a head of household that is neither elderly nor disabled (i.e. "employable"), and has earned income is 1495.	No change in the number of employed heads of households is expected. The total number of families with a head of household that is neither elderly	7 heads of household gained employment due to the Public Housing Pilot Portfolio increase in service coordination. The total number of households that are neither elderly nor disabled in HCV and the Public Housing	This activity has not been fully implemented.

		nor disabled and has earned income was 1495 in FY 2015.	Pilot Portfolio and have an earned income is 1,678.	

SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving TANF assistance (decrease).	Total number of Public Housing and HCV households receiving TANF assistance is 181.	No change in the number of households receiving TANF is expected. Total number of Public Housing and HCV households receiving TANF assistance is 181.	At the end of FY 2016, 199 families were receiving TANF.	This activity has not been fully implemented.

SS #7: Increase in Agency Rental Revenue				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
PHA rental revenue in dollars (increase).	In FY 2015, the actual rental revenue was $5,467,446.	In FY 2016, the estimated rental revenue is $6,228,558.	This activity has not been fully implemented.	This activity has not been fully implemented.

SS #6: Reducing Per Unit Subsidy Costs for Participating Households				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	The average yearly subsidy per unit in FY 2015 was $3,918.	The average monthly subsidy per unit was not expected to change in FY 2016 as a result of this activity.	This activity has not been fully implemented.	This activity has not been fully implemented.

SS #8: Households Transitioned to Self-Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
For the purposes of collecting this metric only, the FCRHA is defining self-sufficiency as a household that is no longer receiving subsidy (in HCV) or is at 100% AMI (in PH).	The baseline is zero.	No households are expected to transition to self-sufficiency in FY 2015 as a result of Alternate Reexaminations since FY 2015 will mark the beginning of this activity (FY 2015 for the Public Housing Portfolio and FY 2016 for HCV). The benchmark is zero.	This activity has not been fully implemented.	This activity has not been fully implemented.

There are no changes to the metrics, outcomes, or benchmarks.

Actual Non-Significant Changes

Minimum rent was determined not a necessary activity for the rent reform; instead the evaluation is looking at how the impact of a work stabilization deduction impacts participants and employment activities.

Actual Changes to Metrics/Data Collection

There are no changes to the metrics or data collection to report for this activity.

Actual Significant Changes

The FCRHA clarified the definition of work-able and non work-able in the FY 2018 Amended MTW Plan. The definitions of work-able and non work-able are as follows:

Definition of Non Work-able	For a household to be considered non work-able, (1) the head of household (as well as the co-head of household, if applicable) must be elderly or disabled and be on a fixed income (i.e., their income may include only SSI, SSDI, SS, pensions, General Assistance or any combination of those sources); and (2) all other household members 18 years or older must be elderly or disabled and on a fixed income, or enrolled in full-time school or job training program.
Definition of Work-able	Any household with members 18 years or older who are not elderly or disabled and on a fixed income (SSI, SSDI, SS, pensions or General Assistance or any combination of these sources) or enrolled in full-time school or job training program.

Challenges to Achieving Benchmarks and Possible Strategies

There are no challenges expected to achieve the benchmarks related to this activity.

2014-9 Increase the Family's Share of Rent from 30 Percent to 35 Percent of Family Income in the Housing Choice Voucher and Public Housing Programs

Cost Effectiveness
Self-Sufficiency
Increase Housing Choice

Year Approved: FY 2014
Implemented: FY 2014 and FY 2018
Amended: FY 2018

Description of Activity/Impact/Update

Previously, in the HCV and Public Housing programs, the amount that a participant family paid for rent and utilities (the family share) was based on the highest of: a minimum rent of $50, ten percent of the family's monthly gross income, or 30 percent of the family's monthly adjusted income. Along with other cost saving activities that were planned by the FCRHA, reforming the calculation used to determine the family's share of rent and utilities, by increasing the percent of the family's monthly adjusted income from 30 percent to 35 percent, allowed the FCRHA to counteract the financial impacts of federal sequestration. This reform, recommended by the THRIVE Advisory Committee, was implemented to stabilize the Public Housing and HCV programs and help close the operating subsidy shortfall in the Public Housing program.

The FCRHA proposed:

- Increase the percentage from 30 percent to 35 percent of adjusted income.
- Apply the change to all families in both programs, with the exception of families on fixed incomes (only SSI, SSDI, SS, or pensions, or any combination of those sources) and families in the Housing Choice Voucher Veterans Affairs Supportive Housing (VASH) program. These families will continue to pay the highest of (1) 30 percent of adjusted income, (2) 10 percent of gross income, or (3) the FCRHA's current minimum rent.

This was first approved in an amended FY 2014 MTW Plan. The FCRHA notified affected families and landlords of the change late in FY 2014. The FCRHA began phasing in implementation of this activity with reexaminations starting July 1, 2014 and completed phase in by June 2015.

Activity Metrics

CE #5: Increase in Agency Rental Revenue				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Rental revenue in dollars (increase).	FY 2014 HCV estimated HAP disbursements were $43,389,711. FY 2014 Public Housing estimate rental revenue was $5,248,624.	FY 2015 HCV estimated HAP disbursements are $42,440,227. FY 2015 Public Housing estimated rental revenue is $6,187,194.	FY 2016 HCV actual HAP disbursements were $46,931,579. FY 2016 Public Housing actual rental revenue was $5,939,438.	In the Public Housing program, there was an increase in rental revenue, attributed to this activity.

SS #8: Households Transitioned to Self-Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
For the purposes of collecting this metric only, the FCRHA is defining self-sufficiency as a household that is no longer receiving subsidy (in HCV) or is at 100% AMI (in PH).	The baseline is zero.	No households are expected to transition to self-sufficiency in FY 2015 as a result of Alternate Reexaminations since FY 2015 will mark the beginning of this activity (FY 2015 for the Public Housing Portfolio and FY 2016 for HCV). The benchmark is zero.	3 households transitioned to self-sufficiency.	The number was larger than expected because of the quick start-up of the Public Housing Pilot Portfolio.

There are no changes to the metrics, outcomes, or benchmarks.

Actual Non-Significant Changes

There are no changes to report regarding this activity.

Actual Changes to Metrics/Data Collection

There are no changes to the metrics or data collection to report for this activity.

Actual Significant Changes

The FCRHA clarified the definition of work-able and non work-able in the FY 2018 Amended MTW Plan. The definitions of work-able and non work-able are as follows:

Definition of Non Work-able	For a household to be considered non work-able, (1) the head of household (as well as the co-head of household, if applicable) must be elderly or disabled and be on a fixed income (i.e., their income may include only SSI, SSDI, SS, pensions, General Assistance or any combination of those sources); and (2) all other household members 18 years or older must be elderly or disabled and on a fixed income, or enrolled in full-time school or job training program.
Definition of Work-able	Any household with members 18 years or older who are not elderly or disabled and on a fixed income (SSI, SSDI, SS, pensions or General Assistance or any combination of these sources) or enrolled in full-time school or job training program.

Challenges to Achieving Benchmarks and Possible Strategies

There are no challenges expected to achieve the benchmarks related to this activity.

2017-1 Modifications to Family Self-Sufficiency Program

Cost Effectiveness
Self-Sufficiency
Increase Housing Choice

Year Approved: FY 2017
Implemented: FY 2017
Amended: N/A

Description of Activity/Impact/Update

The FSS program for both HCV and RAD is an important component of the FCRHA's THRIVE program and ultimately moving to self-sufficiency. The FSS program currently provides an opportunity for 75 HCV participants and 50 RAD residents to set individualized goals that will assist them in moving toward increased self-sufficiency within a five-year period. The FCRHA proposed several changes to the FSS program in FY 2017. These modifications included:

1. Allowing FSS Participants to Opt Out of Interest Payments on Escrow

In addition to case management and service coordination, an important component of the program is the participant's ability to grow assets – in the form of an escrow – over five years. The escrow accrues based on increases in a participant's TTP (total tenant payment) due to increases in the participant's earned income. To ensure that the FCRHA can maintain ongoing enrollment of 125 total participants and to ensure that we are operating a diverse and inclusive program, this activity removes an issue that has deterred some participants from enrolling in the program: allowing participants to opt out of accruing interest on their escrow.

Between 2012 and 2017, at least 12 potential FSS participants declined offers to enroll in our program because the escrow earns interest as it accrues, which would ultimately be paid out to the participant upon graduation. These potential participants cited religious reasons for not being able to accept accrued interest. For this reason, the FCRHA is giving participants the option to build their escrow and opt out of interest payments at the end of their participation.

Interest is calculated as normal throughout participation. Upon graduation or at an interim disbursement, participants can choose whether they would like to opt out or receive interest in their escrow disbursements.

This activity began in FY 2017 for new and existing program participants.

- 2 – the number of households who previously declined enrollment and have joined FSS as a result of these changes.
- 6 – the number of households who have indicated interest in utilizing this option at graduation.

2. Modify the Family Self-Sufficiency Escrow Structure

The ability to build assets is a key component of the FSS program. Upon graduation, when FSS participants achieve the goals they have established for themselves at the beginning of the program, the escrow they accumulated during their participation in the program is disbursed to them to be used as they wish.

Escrows grow based on increases in a participant's TTP due to increases in the participant's earned income. There are inequalities in the growth of the escrow because participants starting off with no or very low-incomes can build this asset at a greater rate than those starting out in the FSS program with low- to moderate-incomes. In addition, the amount that a family can escrow is based on a formula that decreases as a family exceeds the extremely low-income threshold (30 percent AMI) and reaches very low (50 percent AMI). Families that reach the low- income threshold of 80 percent AMI stop escrowing immediately, therefore further limiting the asset building potential of families that have higher incomes. Since higher income earners have a stronger potential for moving out of subsidized housing, this program seeks to help make that a possibility by equalizing their opportunity to escrow rather than penalizing them.

To address this inequality and to provide an incentive for low- and moderate-income participants, the FCRHA modified the escrow structure, for all participants enrolled February 1, 2017 and after. There are three major components to this new escrow structure:

1. Participants must be paying a minimum of $220 in rent before they can begin to escrow (this is called the rent "strike point").
2. Once the participant reaches the rent strike point, the FCRHA will set up an escrow account and allocate a $2,000 Homeownership Incentive Award each year the participant is escrowing and up to a maximum of $10,000, contingent upon purchasing a home after the participant is eligible for graduation or for up to six months after graduation. If the participant does not purchase a home, this money will be forfeited.
3. In addition, once the rent strike point rent is met, monthly escrow will be calculated using a tiered system based on earned income. This money will be disbursed to the participant once they have completed all of their contract goals and are eligible for graduation from the FSS program. If the participant is purchasing a home utilizing their accrued Homeownership Incentive Award, they will receive both this escrow amount and the Homeownership Incentive Award when they are closing on their new home.

The escrow tiers are as follows:

Income Range	Escrow Amount
$10,000 - $14,999	$50
$15,000 - $19,999	$100
$20,000 - $24,999	$125
$25,000 - $29,999	$150
$30,000 - $34,999	$175
$35,000 - $39,999	$200
$40,000 - $44,999	$225
$45,000 - $49,999	$250
$50,000 - $54,999	$275
$55,000 - $59,999	$300
$60,000 - $64,999	$325
$65,000 - $69,999	$350
$70,000 - $74,999	$375
$75,000 - $79,999	$400

FSS participants can continue to participate in the FSS program until they reach the established income limits for Public Housing and HCV participation.

The benefits of this modified escrow program include:

- Creating a more equitable system across all income levels, encouraging both low- and more moderate-income earners to participate and move to self-sufficiency.
- Encouraging families to see the benefit of working immediately and progressing in employment and training to reach the next tier.
- Fixing a loophole in the program to discourage participants from quitting a job just prior to enrollment and starting another shortly after enrollment in order to escrow more immediately.
- Reducing staff time in calculating, auditing and posting escrow based on the current process.

This activity began in February 1, 2017 for new program participants.

- 42 – the number of participants (out of 92) who are subject to this activity
- $1005 – the average escrow balance of participants under the new escrow structure.

3. Establish a Work Requirement for Family Self-Sufficiency Participants

In addition to meeting their established self-sufficiency goals within the five-year timeframe, participants must "maintain suitable employment" for at least 12 consecutive months prior to graduation. HUD regulations do not specify criteria for "suitable employment," leaving it up to the PHA to determine the criteria on its own. This activity will clarify this definition and increase the expectation of families to be engaged in workforce activities critical to achieving self-sufficiency.

The FCRHA sought authorization to establish a 32-hour work requirement for FSS participants. During the first four years of participation in the FSS program, all participants who have signed a service plan are required to engage in any combination of employment/training/education totaling 32 hours per week. Further, the participants are required to work 32-hours per week for at least 12 consecutive months prior to graduation.

The FCRHA's FSS program does not discriminate based on age, education or ability level.   All interested applicants are encouraged to apply, including elderly and disabled residents. In cases when participants are receiving SSI, SSDI, or who are elderly or disabled, work eligibility and appropriate hours will be determined through assessments with the Ticket to Work program (administered by the Northern Virginia Workforce Development Board and the SkillSource Group, Inc.), the Virginia Department of Aging and Rehabilitative Services, and the Fairfax County Department of Family Services.

Because FSS is a voluntary program, no waivers are necessary. Families who volunteer to participate and, in accordance with general FSS guidance, participants who are not in compliance and do not participate in supportive services will be terminated from the FSS program. Participants will be required to document and verify employment at their quarterly progress meetings. Program extensions will remain an option for participants who are in good standing and will be left to the discretion of the service coordinator.

The benefits to the work requirement include:

- Participants have clear and defined expectations for work, eliminating a vague policy that previously allowed families to disengage from these activities.
- Participants will increase their opportunity for building assets through their escrow accounts.
- Participants gain valuable work experience to help them move to self-sufficiency and meet requirements for homeownership. We will work with the Northern Virginia Workforce Development Board and other partners to connect the participants with work experience.
- FSS staff will no longer need to define "suitable employment."

This activity began February 1, 2017 for new program participants.

4. Exclude Income of Family Self-Sufficiency Head of Household Participants Who Are Enrolled Full Time in School

Education, in addition to employment, is critical to the success of FSS participants in achieving their self-sufficiency goals. FSS participants develop goals to reach self-sufficiency within five years. During the first several years of participation, obtaining additional education in order to improve employment outcomes is often a high priority goal. Our program encourages participants to remain active in the workforce while they are enrolled in school because we understand the unique challenges of raising families and surviving financially in Fairfax County. Participants often refuse training and educational opportunities because they feel they cannot afford the expense and need to focus on earning income to meet the expense of daily life.

The FCRHA excludes all but $480 income from certain working adults in a household who are enrolled full-time in school—but this benefit **does not apply** to heads of household. All FSS participants are the heads of households. This is a critical benefit so that participants can cover both educational expenses and daily expenses.

The purpose of this activity was to request authorization to apply FCRHA's current income exclusion policy to a FSS head of household participant who chooses to remain employed and pursue educational opportunities on a full time basis. All but $480 is excluded. This exclusion applies for up to two years. This increases their motivation to both work and participate in education full time. In the evaluation of the FSS program conducted by True Purpose Leadership in December 2015, current and past FSS participants overwhelmingly said that there was a disincentive to increase income or work additional jobs. This activity addresses this by providing an incentive for participants to both enroll in education and work.

Full time status is defined by each institution, and students will be responsible for providing these documents for verification purposes. This is consistent with current FCRHA policy.

This activity began February 1, 2017 for all current and new program participants.

- 4 – the number of FSS Heads of Households participating in this activity
- $61,196 – the Average Amount of Exclusion as a result of this activity
- $20,800 – Total amount of debt paid off as a result of this activity

Activity Metrics

CE #1: Agency Cost Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total cost of task in dollars (decrease). **Activity 1: Opt-Out of Interest Payment** ***This activity was not intended as a cost saving measure.*	$0 *(No baseline cost was associated; households simply would not participate.)*	$0 *(It is anticipated that there may be an increase in cost as more households elect to participate.)*	$0 Zero FY18 graduates have requested to opt-out of escrow interest.	Meets
Activity 2: Modify Escrow Structure ***This activity was not intended as a cost saving measure.*	$4,979 average escrow balance *(It is anticipated that there may be an increase in cost as more households elect to participate.)*	$8,000 average escrow balance **FY18 Revision: $30,000 listed as original benchmark for Initial Yardi Programming costs.*	$1005 average escrow balance Only 42 of the 92 FSS participants are enrolled under these MTW changes.	
Activity 3: 32-Hour Work Requirement ***This activity was not intended as a cost saving measure.*	$0 *(No baseline cost existed. Verification of employment was previously established as part of case management.)*	$0	$0	Meets
Activity 4: Student Income Exclusion ***This activity was not intended as a cost saving measure.*	$0 *(It is anticipated that there may be an increase in cost as more households elect to participate.)*	$120,000 Calculation: 20 households x average exclusion of $20,000/30%.	$36,000 Calculation: 4 households participating x average exclusion of $30,000/30%.	Meets

CE #2: Staff Time Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total time to complete the task in staff hours (decrease). **Activity 1: Opt-Out of Interest Payment** ***This activity was not intended as a staff time saving measure.*	0 Hours *(There is no baseline for staff time associated with this activity; households simply would not participate, therefore staff time was not impacted. An initial increase in staff time is anticipated, due to more households enrolling and subsequently graduating.)*	3 Hours Calculation: 0.5 hours per household auditing and manually deducting interest.	0 Hours	0 Hours Participating households have not yet completed their contracts
Activity 2: Modify Escrow Structure	450 Hours 1.5 hours/ transaction *(3-Level review and approval required before escrow is credited to an account)*	.25 hours/ transaction *(3-Level review and approval required before escrow is credited to an account)*	10.5 Hours 42 participants x 5 transactions (annual average) x .25 (three reviewers at 5 minutes each)	Meets
Activity 3: 32-Hour Work Requirement ***This activity was not intended as a staff time saving measure.*	136 Hours *(based on 2 face-to-face meetings per year at 60 minutes each)*	272 Hours Staff time is expected to increase by double with this activity (minimum requirement is 60 minute face-to-face on a quarterly basis).	408 Hours staff has been able to spend more time than anticipated (on average, they are meeting face-to-face every 2 months)	Exceeds
Activity 4: Student Income Exclusion ***This activity was not intended as a staff time saving measure.*	0 Hours There was no cost associated prior to implementation of this activity.	10 Hours In addition to the 4 quarterly meetings. Staff will need to spend more hours ensuring that income not being paid to rent is utilized for self-sufficiency related goals.	84 Hours 4 participants x 21 hours minimum (Quarterly meetings, 6 hours; Review of additional monthly documentation, 12 hours; annual review, 3hrs)	Exceeds

CE #3: Decrease in Error Rate of Task Execution				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average error rate in completing a task as a percentage (decrease). **Activity 1: Opt-Out of Interest Payment**	0% There are no error reports associated with this task.	0% (3-Level review and approval process that prevents errors)	0%	Meets
Activity 2: Modify Escrow Structure	0% There are no error reports associated with this task.	0% (3-Level review and approval process that prevents errors)	0%	Meets
Activity 3: 32-Hour Work Requirement	0% There are no error reports associated with this task.	0% (3-Level review and approval process that prevents errors)	0%	Meets
Activity 4: Student Income Exclusion	0% There are no error reports associated with this task.	0% (3-Level review and approval process that prevents errors)	0%	Meets

SS #1: Increase in Household Income				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average earned income of households affected by this policy in dollars (increase). **Activity 3: 32-Hour Work Requirement**	$21,726 Average earned income of FSS households (FY16)	$25,000 Expected FY17 average earned income of FSS households (90).	$34,048 Average earned income of FSS participants (42 under new program)	Exceeds

SS #2: Increase in Household Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average amount of savings/escrow of households affected by this policy in dollars (increase). **Activity 2: Modify Escrow Structure** **applies ONLY to new participants as of February 1, 2017*	$4,979 The average escrow balance of FSS households.	$5,000 The FCRHA expects any average household assets increase to be negligible.	$1005 Decrease represents calculation of 42 households under the new program rather than all 92.	

SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Report the following information separately for each category:	*Head(s) of households in FSS prior to implementation of **Activity 3**. This number may be zero.*	*Expected head(s) of households in FSS after implementation of **Activity 3**.*	*Actual head(s) of households in FSS after implementation of **Activity 3**.*	*Whether the outcome meets or exceeds the benchmark.*
1. Employed Full-Time	47 of 90 HoH	50% HoH	67% *(28 of 42 Households)*	Exceeds
2. Employed Part-Time	21 of 90 HoH	25% HoH	17% *(7 of 42 Households)*	
3. Enrolled in an Educational Program	90 of 90 HoH	35% HoH *(parameters have been redefined to include accredited educational programs, including certificate, diploma, and degree programs only)*	31% *(13 of 42 Households)*	
4. Enrolled in Job Training Program	3 of 90 FSS HoH	5% HoH	7% *(3 of 42 Households)*	Exceeds
5. Unemployed	11 of 90 HoH	10% HoH	14% *(6 of 42 Households)*	
6. Other: Employed Part- or Full-Time	N/A	N/A	N/A	N/A

SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving TANF assistance (decrease).	2 HoH	5 HoH	0 HoH	Exceeds

SS #5: Households Assisted by Services that Increase Self-Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving services aimed to increase self-sufficiency (increase).	90 FSS households	125 FSS households	42 FSS households fall under these activities.	

SS #6: Reducing Per Unit Subsidy Costs for Participating Households				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease). **Activity 4: Student Income Exclusion** ***This activity was not intended as a measure for reducing per unit subsidy.*	$1,144.	$1,100.	$1,059	Exceeds

SS #8: Households Transitioned to Self-Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for "self-sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided. **Activity 4: Student Income Exclusion**	0%	50% of graduates	N/A: Outcomes are not anticipated until January 2022 at the earliest, as this measure did not apply to participants enrolling prior to February 2017.	N/A: Outcomes are not anticipated until January 2022 at the earliest, as this measure did not apply to participants enrolling prior to February 2017.

There are no changes to the metrics, outcomes, or benchmarks.

Actual Non-Significant Changes

There are no changes to report regarding this activity.

Actual Changes to Metrics/Data Collection

There are no changes to the metrics or data collection to report for this activity.

Actual Significant Changes

There have been no significant changes to this activity.

Challenges to Achieving Benchmarks and Possible Strategies

There are no challenges expected to achieve the benchmarks related to this activity.

2018A-1 Modify the Calculation of the Family Share of Rent for the Housing Choice Voucher Program

Cost Effectiveness

Self-Sufficiency

Increase Housing Choice

Year Approved: FY 2018
Implemented: FY 2018
Amended: N/A

Description of Activity/Impact/Update

A shortfall in the Housing Choice Voucher Program is expected by the end of FY 2020 due to current and anticipated Federal budget cuts. Further, it is expected that continued increases in Fair Market Rents and contract rents in Fairfax County will result in a widening gap between the cost of providing housing to our existing program participants and funding for the program received through the U.S. Department of Housing and Urban Development (HUD). The FCRHA is committed to providing assistance to all of the current families in the program and expects that the programmatic changes included in this activity, as well as other cost-saving measures being achieved without MTW authorization, will eliminate the need for terminations from the program for at least the next several years.

In FY 2018 HCD collaborated with the THRIVE Advisory Committee, the FCRHA, and local leaders to identify strategies that can be implemented to decrease the average per unit cost of Housing Assistance Payments. The overarching goal during these discussions was to minimize the likelihood of program terminations in the Housing Choice Voucher Program. Following rigorous analysis, input from various stakeholders, and discussion with the FCRHA, three MTW strategies were recommended to provide a significant financial impact. These strategies are intended to provide long-lasting savings to the program so that the FCRHA can continue to serve existing participants, begin to serve new participants again, and fund other affordable housing goals, such as development, rehabilitation and preservation of affordable housing.

Definition of Work-Able and Non Work-Able

In addition to recommending three MTW strategies to address the expected funding shortfall in the Housing Choice Voucher Program, HCD, in consultation with the THRIVE Advisory Committee, clarified its definition of a work-able and non work-able household. In the past, a household was considered exempt, for example, from the minimum rent if the head or co-head of household was elderly or disabled. The exemption did not take into account if there were other adult members of the household who would be able to work. Going forward, in the application of several MTW strategies, work-able is now defined as any household with members 18 years or older who are not elderly or disabled and on a fixed income (Supplemental Security Income (SSI), Social Security Disability Income (SSDI), Social Security (SS), pensions or General Assistance or any combination of these sources) or enrolled in full-time school or a job training program. There may be cases where the only work-able member of the household is a caregiver for an elderly or disabled member of their household and are unable to work because of this full-time caregiver role. These cases will be reviewed through the Reasonable Accommodations process and may then be considered non work-able. Thus, it is the expectation that if a household has a work-able member who is not a full-time caregiver, that member must be working to contribute to the family share of rent.

In addition to clarifying the definition of work-able households, the definition of non work-able is being clarified. That definition is: (1) the head of household (as well as the co-head of household, if applicable) must be elderly or disabled and be on a fixed income (i.e., their income may include only SSI, SSDI, SS, pensions, General Assistance or any combination of those sources); and (2) all other household members 18 years or older must be elderly or disabled and on a fixed income, or enrolled in full-time school or a job training program. In this case, there are no other work-able household members.

This new definition of work-able and non work-able impacted activities 2014-1 Reduce Frequency of Reexaminations, 2014-5 Institute a Minimum Rent, 2014-6 Design and Initiate a Rent Control Study, and 2014-9 Increase the Family Share of Rent from 30 Percent to 35 Percent of Family Income in the Housing Choice Voucher and Rental Assistance Demonstration Project-based Voucher Program.

Overview of Recommended Strategies

There are three MTW strategies being implemented for the Housing Choice Voucher Program. They are:

1. Increase the minimum rent from $50 to $220 for work-able households.

2. Increase the family share of rent from 30 to 32 percent for non work-able households and implement a 35 percent family share of rent for all work-able households.

3. Revise the utility allowance for all program participants.

These strategies, in addition to implementing a revised subsidy standard, are expected to reduce the anticipated gap between current and future projected Federal funding levels and the cost of providing Housing Assistance Payments for over 3,500 households.

1. **Strategy #1: Increase the Minimum Rent from $50 to $220 for Work-Able Households.**

Currently, the amount that a household pays for rent and utilities (called the family share of rent) in the Housing Choice Voucher Programs, is based on the higher of: $50; ten percent of the family's monthly gross income; or 30 or 35 percent of the family's adjusted gross income. Most Housing Choice Voucher Program participants' rents and utilities are calculated based on paying 30 or 35 percent of the family's adjusted gross income. However, there are some households that pay a minimum rent of $50 because they have little or no income.

An increase in the minimum rent at certain Public Housing (now RAD PBV) properties was approved in the FY 2016 MTW Plan. The minimum rent was approved to increase from $50 to $220 for work-able participants in three Public Housing communities (now RAD PBV communities). The minimum rent of $220 is based on the family share of rent that a household would pay if one work-able member of the household worked 20 hours per week earning $7.25 per hour.

2. **Strategy #2: Increase the Family Share of Rent from 30 to 32 percent for Non Work-Able Households and Implement a 35 Percent Family Share of Rent for All Work-Able Households.**

   An increase in the percentage of the family share of rent from 30 to 35 percent was approved through the Amended FY 2014 MTW Plan. This increase was implemented beginning July 1, 2014 and was completed by June 2015. The change at that time did not apply to families on fixed incomes (SSI, SSDI, or pensions, or any combination of those sources). These families continue to pay the higher of $50; ten percent of the family's monthly gross income; or 30 percent of the family's monthly adjusted income.

   The Amended FY 2018 MTW Plan proposed to increase the family share of rent for non work-able families from 30 to 32 percent. Further, because the definition of work-able and non work-able is being clarified, households who were previously exempt from increasing their family share of rent to 35 percent because they were considered an elderly or disabled household and who are now considered a work-able household, will now have an increase in their family share of rent from 30 to 35 percent. With the implementation of this policy, all households in the Housing Choice Voucher Program will pay either 32 percent for their family share (non work-able households) or 35 percent (work-able households).

3. **Strategy #3: Revise the Utility Allowance for All Families.**

   When calculating a family share of rent, as previously discussed, households currently pay either 30 or 35 percent of their adjusted income toward the rent and utilities for their unit. When utilities are not included in the rent charged by the landlord, an allowance is provided for utilities that the household must pay directly to the utility provider (Washington Gas, Dominion Energy, etc.). The utility allowance provided to the household is based on average consumption rates and costs by unit type, size and fuel source (electric, natural gas, oil, etc.) and is updated annually. In some cases, when a family share of rent is less than the utility allowance, a utility reimbursement check is sent to the household to assist them with paying for the utilities. Over 250 checks are sent to households each month to reimburse them for their utility costs.

The Amended FY 2018 MTW Plan proposed to revise the utility allowance for all work-able and non work-able households in the Housing Choice Voucher Program. For households whose landlord does not include utilities in their rent, they will receive a flat utility allowance based on the smaller of the number of bedrooms for which they qualify or their actual unit size. Initially, for the first several years of implementing the flat utility allowance, this utility allowance will be calculated based on 50 percent of the average utility allowance for participants for each specific bedroom size. If needed, in future years, based on the Housing Choice Voucher Program financial forecast, significant market changes in the cost of utilities, or community feedback, the amount of the flat utility allowance could change. In that case, authorization from the FCRHA will be requested which would include an implementation plan. Lastly, should there be a case when a family would receive a Utility Reimbursement Payment, the FCRHA will no longer issues these payments.

Project-based Vouchers and Housing Choice Voucher Homeownership participants are exempt from the changes outlined in Strategy#2 and #3. However, participants living in project-based voucher units who are work-able households will continue to pay 35 percent of their income for rent and utilities as approved by MTW Activity 2014-9 Increase the Family Share of Rent from 30 Percent to 35 Percent of Family Income in the Housing Choice Voucher and Rental Assistance Demonstration Project-based Voucher Programs.

Communication Strategy

HCD staff developed a comprehensive communication strategy for the Housing Choice Voucher Program participants, partners, landlords and the media. Communication tools include:

- A letter to participants was sent in Fall 2017 to begin to explain the upcoming changes that will affect how their rent is calculated;
- Resident meetings to discuss the changes;
- An informational video produced by Fairfax County Channel 16 to provide information for program participants, partners, and others on upcoming changes;
- A dedicated Website, phone number and e-mail address; and
- On-going outreach/education that will continue throughout the two years of implementation of these strategies.

In addition to outreach to program participants and partners, HCD anticipates targeting landlords to inform them of the upcoming changes that their tenants will be facing. Further, HCD will reach out to landlords in certain areas of Fairfax County in an effort to recruit more landlords for tenants wishing to move to right-size their unit with their voucher subsidy. HCD hopes that not only will more landlords be willing to participate in the Housing Choice Voucher Program, but that existing landlords will be willing to assist their tenants during this transition. For example, landlords will be notified prior to the FCRHA will be providing a flat utility allowance, per bedroom size. Perhaps some landlords, when hearing this, will be willing to include utilities in their cost of rent.

With regard to partners, HCD began meeting with County agencies and non-profit organizations in August 2017 to inform them of these upcoming changes. HCD will partner with several of these agencies, to roll out educational opportunities and supportive services for the Housing Choice Voucher Program participants.

Strategies to Help Families with the Housing Choice Voucher Program Changes
HCD developed several strategies to provide support to families impacted by these policy changes. Coupled with an on-going communication strategy, HCD, led by the PROGRESS Center, intends to provide residents with:

1. Workshops on finding employment and referrals to the job readiness and employment programs;
2. Financial literacy classes and referrals to credit counseling and budgeting programs; and
3. Workshops regarding energy utilization and conservation.

Furthermore, HCD set aside a small portion of the Housing Assistance Payment and administrative savings from these strategies to potentially help participants with emergency utility assistance, moving assistance, and housing locator assistance.

Lastly, HCD is committed to providing outreach to existing landlords to keep them apprised of the upcoming changes and recommend actions they can take to help, as well as to new landlords who may be able to help households who decide to move to align their housing subsidy with their future rent. If necessary for additional savings to the program, landlords will be asked not to request yearly increases to their contract rent.

Impact
Following is an analysis of the impact the three strategies discussed above will have on the program financially and the impact these strategies will have on current program participants:

Strategy #1: Increase the Minimum Rent from $50 to $220 for Work-Able Households.

By the end of FY 2020, in the Housing Choice Voucher Program, this strategy will save the FCRHA approximately $603,000, an average yearly Housing Assistance Payments savings per household of $1,257. This strategy will impact 480 households in the Housing Choice Voucher Program who have at least one member of their household who is work-able, but who are currently paying from between $50 to $219 in rent and utilities. The average monthly family share of rent increase for these families will be $105.

Strategy #2: Increase the family share of rent from 30 to 32 percent for non work-able households and implement a 35 percent family share of rent for all work-able households. By the end of FY 2020, this strategy will save the FCRHA approximately $269,000, an average yearly Housing Assistance Payments savings per household of $266. This strategy will impact 260 households who have at least one member of their household who is work-able, under the revised definition, but who are currently paying 30 percent of their income for rent, and will impact 1,133 households who are non work-able and will increase their family share of rent from 30 to 32 percent. The average monthly family share of rent increase for these families will be $21.

Strategy #3: Revise the utility allowance for all families. By the end of FY 2020, this strategy will save the FCRHA approximately $615,000, an average yearly Housing Assistance Payments savings per household of $486. This strategy will impact 861work-able and 405 non work-able households who receive a utility allowance when calculating their family share of rent. The average monthly family share of rent increase for these families will be $62.

Update

There are no updates on this activity. The changes began to impact families in March 2019.

Activity Metrics

CE #1: Agency Cost Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total cost of task in dollars.	There are no agency savings regarding to implementing this activity; these saving are captured in CE #5.	There are no agency savings regarding to implementing this activity; these saving are captured in CE #5.	There are no outcomes expected.	Meets

CE #2: Staff Time Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total time to complete the task in staff hours (decrease).	There is no staff savings associated with this activity.	There is no staff savings associated with this activity.	There are no outcomes expected.	Meets

CE #3: Decrease in Error Rate of Task Execution				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average error rate in completing a task as a percentage (decrease).	There is no baseline data associated with the error rate of rent calculation.	There will not be any change in error rate related to this activity.	There are no outcome expected related to the error rate.	Meets

CE #5: Increase in Agency Rental Revenue				
Unit of Measurement/ Source of Data	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Rental revenue in dollars (increase).	The expected HCV HAP savings is expected to be $860,000 at the end of 2021 because of this activity.	The expected HCV HAP savings is expected to be $860,000 at the end of 2021 because of this activity.	The activity is not fully implemented. Cost savings are not realized yet.	TBD

SS #1: Increase in Household Income				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average earned income of households affected by this policy in dollars (increase).	In FY 2017, the average earned income of HCV households was $25,089.	In FY 2018, the expected average earned income of HCV households will be $26,000.	In FY 2019 the average earned income was $23,276.	No

SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
1. Employed Full-Time	In FY 2017, 1230 HCV participants had earned income.	In FY 2018, 1300 HCV participants will have earned income.	1186 HCV participants have earned income.	No
2. Employed Part-Time	In FY 2017, 1230 HCV participants had earned income.	In FY 2018, 1300 HCV participants will have earned income.	1186 HCV participants have earned income.	No
3. Enrolled in an Educational Program	In FY 2017, 578 HCV participants where in school or job training program.	In FY 2018, 590 HCV participants will be in school or job training program.	450 HCV participants are in school or job training program.	No
4. Enrolled in Job Training Program	In FY 2017, 578 HCV participants where in school or job training program.	In FY 2018, 590 HCV participants will be in school or job training program.	450 HCV participants are in school or job training program.	No
5. Unemployed	In FY 2017, 2297 HCV participants did not have earned income.	In FY 2018, 2227 HCV participants will not have earned income.	2235 HVC participants do not have earned income.	No
6. Other: Employed Part- or Full-Time	N/A	N/A	N/A	N/A

SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving TANF assistance (decrease).	In FY 2017, 173 HCV households received TANF.	In FY 2018, the expected number of households receiving TANF is 173.	155 HCV households received TANF in FY 2019.	Yes

SS #8: Households Transitioned to Self-Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
For purposes of collecting this metric only, the FCRHA is defining self-sufficiency as a household that is no longer receiving subsidy (in HCV).	The baseline is zero.	In FY 2018, 0 households are expected to no longer receive HCV subsidies because of this activity.	0	Yes

This activity has not been fully implemented; thus, the activity metrics and whether a metric has been met or not are not indicative of the influence of the activity.

Annual Reevaluation of Rent Reform Initiative: Outcomes will be measured and reviewed annually using the metrics described above and, if necessary, the activity will be revised to mitigate negative impacts.

Hardship Case Criteria: Families impacted by the revised calculation of the family share of rent are subject the FCRHA's Hardship Policy. There have not been any Hardship requests yet for this activity.

Actual Non-Significant Changes

There are not changes to report regarding this activity.

Actual Changes to Metrics/Data Collection

There are no changes to the metrics or data collection to report for this activity.

Actual Significant Changes

There are not changes to report regarding this activity.

Challenges to Achieving Benchmarks and Possible Strategies

There are no challenges expected to achieve the benchmarks related to this activity.

2018A-2 Establish Shared Housing Program in Project-Based Voucher Program

Cost Effectiveness

Self-Sufficiency

Increase Housing Choice

Year Approved: FY 2014
Implemented: FY 2014 and FY 2018
Amended: N/A

Description of Activity/Impact/Update

Since 1987, the FCRHA has had approval from HUD to administer the Supported Shared Housing Program (SSHP) in its Public Housing program. SSHP is a specialized housing program cooperatively administered by HCD and the Fairfax-Falls Church Community Services Board (CSB). The program is designed to provide long-term affordable housing opportunities to adults who are disabled and meet the prescribed level of services established by CSB. The program allows two or more assisted individuals to live together in a single Public Housing unit. The shared unit consists of both common space for use by the occupants of the unit and a separate private space for each assisted individual.

As the FCRHA converted its Public Housing portfolio to PBVs via the RAD program, there was a need for MTW authorization to continue this critical program. In the PBV program, PHAs are not allowed to attach or pay assistance for "shared housing" units (24 CFR 983.53). Until MTW authorization was received, instead of being treated as two separate households living in one unit as was requested with this activity, the tenants in these units were considered one household, with one tenant as the head of household and other tenant as a member of the household. Their income is combined for the purpose of calculating rent and they have one lease, which is difficult to manage since these participants are not operating as a household, but as individual households sharing a unit.

Once this activity was approved, new leases were executed with each tenant. This will benefit these tenants by giving them the opportunity, when Tenant-based Housing Choice Vouchers are available, for mobility. Rent are calculated using the unit gross rent divided by the number of household members. Since there are no payment standards in the PBV program, the individual gross rent is used for the rent calculation for each individual. If the individual's total tenant payment (TTP) exceeds the individual rent, that person pays their entire pro-rated portion. If the individual's TTP is less than the pro-rated rent, then the Housing Assistance Payment subsidy will make up that difference, as done in the voucher program.

This benefits the FCRHA by providing an accurate number of households being served through the RAD PBV Program.

Currently, there are 22 Public Housing units being operated as shared housing, and hundreds of participants have benefited from this program over the last 30 years.

Activity Metrics

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% MAI as a result of the activity (increase).	In FY 2018, 22 households receive this benefit.	In FY 2018, the expected number of households receiving this benefit will remain at 22.	22 households received this benefit.	Yes

Actual Non-Significant Changes

There are not changes to report regarding this activity.

Actual Changes to Metrics/Data Collection

There are no changes to the metrics or data collection to report for this activity.

Actual Significant Changes

There are not changes to report regarding this activity.

Challenges to Achieving Benchmarks and Possible Strategies

There are no challenges expected to achieve the benchmarks related to this activity.

2018A-3 Increase Cap on Maximum Family Contribution to Rent from 40 to 45 Percent

Cost Effectiveness

Self-Sufficiency

Increase Housing Choice

Year Approved: FY 2018
Implemented: FY 2019

Description of Activity/Impact/Update

This MTW activity allows Housing Choice Voucher Program participants--both new and current participants who are moving--to rent higher-cost units, up to a maximum amount of 45 percent of their adjusted income. This cap only applies to new leases. HUD currently places a cap on initial leases of up to 40 percent of a family's adjusted income to be paid toward rent and utilities so that households do not overextend themselves paying a disproportionate amount of income on rent. However, because of Fairfax County's overall high-cost rental market, and specifically high-cost rents in higher opportunity areas of Fairfax County, rent and utilities are often more than the FCRHA's payment standards. This activity allows Housing Choice Voucher Program participants, when entering a new lease with a new landlord, the option to pay more than the proposed 32 to 35 percent of their adjusted income on rent, up to 45 percent. This may help participants, especially those that decide to move because of the proposed program changes, with the option to pay more for a unit than what was previously allowed, thus providing additional housing options than previously available to them.

The implementation of this activity began in FY 2019.

Activity Metrics

HC #5: Increase in Resident Mobility				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households able to move to a better units and/or neighborhood of opportunity as a result of the activity (increase)).	*Households able to move to a better unit and/or neighborhood of opportunity prior to implementation of the activity (number). This number may be zero.*	*Expected households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).*	*Actual increase in households able to move to a better unit and/or neighborhood of opportunity after implementation of activity (number).*	*Whether the outcome meets or exceeds the benchmark.*
	0	It is expected that this increase will allow 25 families increased opportunity.	To be provided in the FY 2020 Annual MTW Report; this activity was just implemented.	To be provided in the FY 2020 Annual MTW Report.

Actual Non-Significant Changes

There are not changes to report regarding this activity.

Actual Changes to Metrics/Data Collection

There are no changes to the metrics or data collection to report for this activity.

Actual Significant Changes

There are not changes to report regarding this activity.

Challenges to Achieving Benchmarks and Possible Strategies

There are no challenges expected to achieve the benchmarks related to this activity.

2019-1 Establish Fairfax County Payment Standards

Cost Effectiveness
Self-Sufficiency
Increase Housing Choice

Year Approved: FY 2019
Implemented: FY 2019

Description of Activity/Impact/Update

In November 2016, HUD published a final rule implementing Small Area Fair Market Rents (SAFMR) to promote residential mobility and poverty and racial deconcentration. The SAFMRs are Fair Market Rents set at the ZIP code level rather than at the metropolitan level. The final rule required that Public Housing Authorities in designated areas adopt payment standards based on SAFMRs effective January 1, 2018. The HCD staff analyzed the potential impact of SAFMRs in Fairfax County, and concluded that implementation of SAFMRs as written would have a significant negative financial impact to the program. Utilizing the SAFMRs will increase the average voucher cost per unit by $255, which could result in serving 600 less households per year in the HCV Program due to this significant increase in the cost of serving participants. HCD further believes that ZIP codes do not correlate with actual rental markets in Fairfax County, and could disrupt the functioning of the rental market.

The FCRHA proposed to develop local payment standards using current, local rental market data. This is being accomplished in two phases.

- **Phase 1** included decoupling from the Washington-Arlington-Alexandria, DC-VA-MD U.S. Department of Housing and Urban Development (HUD) Metro Fair Market Rents (FMR). The FCRHA set a local, countywide payment standard, which was utilized beginning March 2019. Should there ever be any decrease in the Fairfax County payment standard, housing participants will be provided with this information at their recertification and the lower payment standard will be applied at their second recertification following the date of the change.

- **Phase 2** includes evaluating the Fairfax County rental market to determine sub-markets for additional payment standards that will promote positive residential mobility. This activity is expected to create opportunity for equity for program participants by allowing residential mobility to areas which have higher rents, currently not as affordable with existing payment standards and may promote poverty and racial deconcentration. In addition, this will make good business sense to maintain and stabilize the HCV Program, due to the huge cost of implementing SAFMRs. It is expected that Phase 2 analysis and its subsequent plan for implementation, including a housing counseling component, will be completed in time to be included in an Amended FY 2021 MTW Plan. Thus, the analysis and public process took place in FY 2019 and will continue in FY 2020, with implementation starting after an Amended FY 2021 MTW Plan's approval.

This activity will meaningfully address the intent of the SAFMRs, while considering local data beyond ZIP codes in Fairfax County. Establishing Fairfax County payment standards will accomplish two important MTW goals. First, a local payment standard will provide additional housing choices for program participants once the sub-markets are established. Second, it will be more cost effective than SAFMRs—both by saving the administrative burden of overseeing 60 ZIP codes with different FMRs, as well minimizing the financial impact to the program, especially with anticipated budget cuts and increasing rent costs.

Activity Metrics

CE #1: Agency Cost Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total cost of task in dollars (decrease).	*Cost of task prior to implementation of the activity (in dollars).*	*Expected cost of task after implementation of the activity (in dollars).*	*Actual cost of task after implementation of the activity (in dollars).*	*Whether the outcome meets or exceeds the benchmark.*
	Average HAP in June 2018 was $1,160.	Phase 1: It is expected that there will be between 0 to 10 percent increase in average cost because of this activity (average HAP will be between $1,160 to $1,276) Phase 2: TBD as submarkets are finalized.	FY 2019 average HAP was $1,113. HAP decreased; however, that decrease is likely attributable to other activities.	TBD

CE #2: Staff Time Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total time to complete the task in staff hours (decrease).	*Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).*	*Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).*	*Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).*	*Whether the outcome meets or exceeds the benchmark.*
	It took 0 hours to utilize the HUD-established FMRs/	Establishing the Fairfax County Payment Standard will take approximately 1,040 hours over the next year to complete analysis on and implement Phase 1 and 2.	TBD once Phase 2 is complete.	

HC #5: Increase in Resident Mobility				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households able to move to a better units and/or neighborhood of opportunity as a result of the activity (increase)).	*Households able to move to a better unit and/or neighborhood of opportunity prior to implementation of the activity (number). This number may be zero.*	*Expected households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).*	*Actual increase in households able to move to a better unit and/or neighborhood of opportunity after implementation of activity (number).*	*Whether the outcome meets or exceeds the benchmark.*
	0—currently opportunity neighborhoods have higher rents than current payment standards.	Under Phase 1, it is expected that 0 households will move to a higher opportunity area. It is expected that 50 families (new and transfers) will move to higher opportunity areas because of Phase 2.	TBD	

CE #5: Increase in Agency Rental Revenue				
Unit of Measurement/ Source of Data	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Rental revenue in dollars (increase).	*Rental revenue prior to implementation of the activity (in dollars).*	*Expected rental revenue after implementation of the activity (in dollars).*	*Actual rental revenue after implementation of the activity (in dollars).*	*Whether the outcome meets or exceeds the benchmark.*
	To implement SAFMRs would have resulted in an increase of $255 per unit cost.	Phase 1 is expected to increase the per unit cost by no greater than $116.	The FY 2019 cost per unit decreased. However, the policy was only implemented for the last six months of FY 2019.	

Actual Non-Significant Changes

There are not changes to report regarding this activity.

Actual Changes to Metrics/Data Collection

There are no changes to the metrics or data collection to report for this activity.

Actual Significant Changes

There are not changes to report regarding this activity.

Challenges to Achieving Benchmarks and Possible Strategies

There are no challenges expected to achieve the benchmarks related to this activity.

IV.B. Approved MTW Activities: Not Yet Implemented Activities

2016-1 Use MTW Funds for Local, Non-Traditional Housing Program

Cost Effectiveness
Self-Sufficiency
Increase Housing Choice

Year Approved: FY 2016
Implemented: N/A

Description of Activity/Impact/Update
The FCRHA is committed to creating a THRIVE Housing Continuum that provides the right housing at the right time, based on a household's income and skill set – and allows participating households to move through the different steps of the Housing Continuum as they become more self-sufficient. Through this activity the FCRHA is proposing to create a gateway to the Federal programs for those at the first step of the Housing Continuum, using the Fairfax County Bridging Affordability (BA) program, to define the entry point into the BA program and the Housing Continuum, and to facilitate movement along the Housing Continuum. This activity will address the MTW statutory objectives of assisting families to move to self-sufficiency and increasing housing choice.

Historically, waiting lists for affordable housing in Fairfax County have been lengthy and very low income families can wait seven years or more before receiving a Housing Choice Voucher or Public Housing unit offer. HCD operates the Bridging Affordability program, a locally-funded rental subsidy program for income-eligible households who are either: 1) homeless; or 2) on one of the County's waiting lists for affordable housing. The BA program provides temporary rental subsidies of one to three years to help these families while they wait for permanent housing opportunities and, by partnering with non-profit organizations, the program also provides case management/supportive services to help families with their unique needs.

The program was developed through the collective effort of non-profit organizations, community advocates, the FCRHA, Fairfax-Falls Church Community Services Board (CSB), and the Fairfax County Office to Prevent and End Homelessness. Bridging Affordability is operated by a collaborative of non-profit organizations led by Northern Virginia Family Service (NVFS), under contract with Fairfax County. Fairfax County provides rental subsidies, up to the Fair Market Rent, and NVFS manages the eligibility process, assists families in locating units, and provides services to families in an effort to achieve self-sufficiency. In addition, NVFS leverages resources that cover a wide variety of services, including supporting case managers, employment specialists, and housing locators.

The Bridging Affordability program is modeled after the Housing Choice Voucher program. Like the Housing Choice Voucher program, the Bridging Affordability program can be used across the County, and expands housing options for low-income households, including persons with physical or sensory disabilities and families eligible for services provided by the CSB, which serves persons with mental illness and intellectual and developmental disabilities. Similarly to the current Housing Choice Voucher program, families are phasing in to a 35 percent family share of rent. And like the Housing Choice Voucher program, all BA units must meet Housing Quality Standards. These similarities have been built into BA to ensure a seamless transition between steps in the Housing Continuum.

This use of this activity may be explored in the future.

2016-2 Modify Project-Based Voucher Choice Mobility Criteria

Cost Effectiveness
Self-Sufficiency
Increase Housing Choice

Year Approved: FY 2014
Implemented: FY 2014 and FY 2018
Amended: N/A

Description of Activity/Impact/Update

Modifying the PBV Choice Mobility Criteria will allow the FCRHA to prioritize its limited resources to the neediest families and align housing resources with community needs. The FCRHA believes that changing the PBV choice mobility criteria will result in greater housing choice for new families entering the THRIVE Housing Continuum. The goal of this activity is to assist families not yet served while maintaining the stability of families already housed. The FCRHA plans to reserve a majority of the tenant-based voucher opportunities for new families on its waiting list and will promote the stability of families in PBV units by encouraging continued housing assistance at their current residence.

When its voucher program is fully leased, the FCRHA typically has fewer than 200 tenant-based vouchers available yearly due to attrition. Currently, families living in PBV units are given priority to receive tenant-based vouchers after only one year of residency (while keeping the project-based voucher at the original property), thereby reducing the number of tenant vouchers available to new families on the waiting list. Utilizing MTW, the FCRHA is proposing an alternative policy that prioritizes tenant vouchers for new families and limits the number of PBV holders that receive a tenant voucher in any given year. By modifying choice mobility criteria, the FCRHA will reduce the wait time for families on its tenant-based voucher list, thereby expanding affordable housing opportunities for families not currently served.

The FCRHA is proposing to:

- Maintain a waiting list of families that request to convert their project-based voucher to a tenant-based voucher.
- Allow PBV families that request to move, to be added to the "PBV to HCV conversion" waiting list after one year of residency.
- Allow approximately five percent of the projected tenant-based vouchers each fiscal year to be available for choice mobility of PBV holders.

This activity will not apply to RAD projects. In addition, Choice Mobility will be allowed for instances for reasonable accommodations and Violence Against Women Act (VAWA) cases.

This activity may be implemented in FY 2019.

2017-2 Establish Gateway to Housing Choice Voucher Program from the Tenant-Based Rental Assistance Program

Cost Effectiveness

Self-Sufficiency

Increase Housing Choice

Year Approved: FY 2014
Implemented: FY 2014 and FY 2018
Amended: N/A

Description of Activity/Impact/Update

The FCRHA has nearly 50 TBRA vouchers which provide housing assistance to formerly homeless households, non-elderly disabled households, and families that were not able to be served through the Public Housing program because of a reasonable accommodation or some other reason Public Housing was no longer suitable. The average bedroom size for this assistance is two bedrooms and the average yearly housing assistance payment for these families is $54,000. All of these families will require long-term affordable housing assistance.

TBRA is funded through the Federal HOME Investments Partnership Program. During each Federal budget negotiation, the FCRHA is regularly concerned about a loss of funding for this program. While HOME is funded currently, the FCRHA would like to establish a gateway between the TBRA program and HCV, similar to the locally-funded Bridging Affordability program. Thus, should it be necessary to decrease the number of TBRA households funded through HOME, the gateway will be established by establishing a preference for priority on the HCV waiting list to ensure that these families continue to receive affordable housing assistance.

This activity was approved in the FY 2017 MTW Plan. However, because HOME has continued to be funded at a level to allow the FCRHA to continue the TBRA program, this activity has been be implemented yet.

2017-3 Authorization to Establish a Local Moving to Work Project-Based Voucher Program

Cost Effectiveness
Self-Sufficiency
Increase Housing Choice

Year Approved: FY 2017
Implemented: FY 2019
Amended: N/A

Description of Activity/Impact/Update

The FCRHA and Fairfax County own affordable housing units as well as land which could provide additional affordable housing units throughout Fairfax County. Further, the FCRHA converted its Public Housing units to project-based assistance under the Rental Assistance Demonstration program. In addition, the FCRHA provides project-based vouchers to non-profit and other organizations. The FY 2016 Strategic Plan for the FCRHA and HCD includes several strategies to increase affordable housing options for residents, as well as to preserve the existing affordable units. To be in a better position to do so—to be able to be opportunity driven--the FCRHA is requesting authorization to establish a local project-based voucher program. There are three key components of this authorization.

First, this authorization will allow the FCRHA to provide a commitment of project-based vouchers utilizing an alternative competitive process, such as the Public-Private Educational Facilities Infrastructure Act or locally-administered procurement process, for:

1. Development or redevelopment by the FCRHA of FCRHA- or Fairfax County-owned housing units or land;
2. Development or redevelopment by private developers of FCRHA- or Fairfax County-owned housing units or land;
3. Development or redevelopment by private developers utilizing FCRHA financing.

The establishment of an MTW project-based voucher program will provide the FCRHA with the flexibility to work with private developers and commit a valuable asset to potentially close the financing gap in affordable housing projects.

Second, this authorization will allow the FCRHA to utilize project-based vouchers for its own Fairfax County Rental Program units. Specific authorization from the FCRHA would be requested for the commitment of project-based voucher projects under this authority. There will continue to be a project-based voucher competition for other projects, as vouchers are available. Further, in accordance with the previously approved activity 2014-3 Streamline Inspections for Housing Choice Voucher Units, the FCRHA will also inspect its own project-based voucher units, with requests for special inspections allowed from the occupants. The same Housing Quality Standards are used on FCRHA-owned units as with Housing Choice Voucher units. The FCRHA's Inspection and Compliance Branches are in different branches of HCD, as well as the Maintenance Department. This provides separate duties and authorities to ensure strong management of the inspection process.

Lastly, in the FY 2019 Plan, this authorization is being modified to include allowing a different subsidy standard for project-based vouchers than tenant-based vouchers. In 2017, the FCRHA modified the subsidy standard of its tenant-based vouchers to provide subsidies for two persons per bedroom and one bedroom for the head of household and co-head of household/spouse (if applicable). However, it was determined that this subsidy standard could not be applicable to project-based vouchers because these program participants, during times when tenant-based vouchers are not available, would not be able to comply with the new subsidy standard. The subsidy standard for project-based vouchers will continue to be:

- One bedroom for the head of household (and spouse or cohead, if applicable);
- One bedroom for each two household members of the same sex, regardless of age or relationship;
- Persons of the opposite sex (other than spouse or cohead, if applicable) will be allocated a separate bedroom; and
- Any live-in aide (approved by the FCRHA to reside in the unit to care for a family member who is disabled or is at least 50 years of age) will be allocated a separate bedroom.

Leveraging the experience of the FCRHA as both the owner of over 73 project-based voucher units and a long track record with these units, the establishment of this local MTW project-based voucher program will allow the FCRHA to have the flexibility to be responsive to potential development or redevelopment opportunities, to continue to provide safe, affordable and attractive housing, and to increase the housing choices of Fairfax County residents.

Update on Implementation of Activity/Timeline

This authorization will be utilized when the need arises in the future.

Changes/Modifications to Activity

The modified this activity to include authorization for subsidy standards of project-based vouchers to differ from tenant-based vouchers.

IV.C. Approved MTW Activities: Activities on Hold

2014-8 Allow Implementation of Reduced Payment Standards at Next Annual Reexamination

Year Approved: FY 2014
Implemented: N/A

Because of the financial impact on Housing Choice Voucher families due to increasing the family share of rent to 35 percent, which was implemented in FY 2015, this activity has been put on hold. The FCRHA currently does not have plans to reactivate this activity.

IV.D. Approved MTW Activities: Closed Out

2014-3 Streamlined Inspections for Housing Choice Voucher Units

Cost Effectiveness
Self-Sufficiency
Increase Housing Choice

Year Approved: FY 2014
Implemented: FY 2014
Closed Out: FY 2018

Streamlining Housing Choice Voucher inspections provides a two-part connection to the FCRHA's THRIVE initiative – (1) it reduces staff time spent on inspections of units that are historically of high-quality, and (2) it provides an incentive for families to maintain their units via less frequent inspections. This activity reduces the costs associated with conducting HCV inspections, encourage owners to maintain their units, and incentivize families to employ good housekeeping practices.

In FY 2014, the FCRHA re-evaluated the scope of its activity to streamline inspections for all HCV units in response to inspection staff concerns that units which have repeatedly failed inspections might continue to pose potential hazards to tenants if not reinspected. Rather than allowing all HCV units to transition to biennial inspections after one passed inspection and self-certification by the household and the landlord, the FCRHA relies on its inspectors to determine if the unit and both parties are prepared for biennial inspections. Inspectors now take into account whether or not landlords conduct their own annual inspection, respond to repairs timely and have a good history of working with the tenant to address lease violations. In addition, the inspector considers the tenant's housekeeping, ability to address housing issues with the landlord and ability to maintain their home in a decent, safe and sanitary condition.

Because this activity is allowed through current regulation, this activity was closed out in FY 2018.

2014-4 Streamlined Inspections for Public Housing Residents

Year Approved: FY 2014
Implemented: N/A
Closed Out: FY 2018

Similarly to activity 2014-3 Streamlined Inspections for Housing Choice Voucher Units, the FCRHA believed that streamlining its Public Housing inspections would both reduce costs for the agency and provide another tool for families to engage in their own self-sufficiency. However, because the FCRHA was going through a RAD conversion of its Public Housing stock, this activity was never implemented.

2014-7 Convert Scattered-Site Public Housing Units to Project-Based Section 8 Assistance

Year Approved: FY 2014
Implemented: N/A
Closed Out: FY 2018

The FCRHA applied for the RAD program and successfully converted all of its Public Housing stock to long-term Section 8 rental assistance contracts in FY 2018. Therefore, this activity is closed out.

2015-1 Eliminate Flat Rents in the Public Housing Program

Year Approved: FY 2015
Implemented: FY 2015
Closed Out: FY 2018

In an amended FY 2015 MTW Plan, the FCRHA proposed to eliminate the flat rent option so that all families currently paying flat rent would be required to pay 35 percent of their adjusted income at their next annual recertification. HUD approved this activity in late 2015 and the FCRHA began implementation of this policy after the amended Plan was approved. The FCRHA sent letters to all affected families notifying them that a new rent calculation based on 35 percent of their adjusted income will become effective at their next annual recertification. They were given at least a 90-day notice. Families whose recertification fell less than 90 days from notification received the new rent calculation at their second annual recertification.

Because the FCRHA has converted its Public Housing to the RAD Project-based Vouchers, this activity is no longer needed.

V. Sources and Uses of Funds

Section V(A). MTW Report: Sources and Uses of MTW Funds
i. Actual Sources of MTW Funds in the Plan Year
The FCRHA submitted unaudited and audited information in the prescribed Financial Data Schedule (FDS) format through the Financial Assessment System (FASPHA).
ii. Actual Uses of MTW Funds in the Plan Year
The FCRHA submitted unaudited and audited information in the prescribed FDS format through the FASPHA.
iii. Describe Actual Use of MTW Single Fund Flexibility
The FCRHA used MTW single fund flexibility to implement and operate programs for HCV and Public Housing program participants.
In FY 2019, there were several expenditures that utilized MTW Single Fund Flexibility: 1. A PROGRESS Center position to work with partners and contractors to help residents obtain their highest level of self-sufficiency; 2. Contract with non-profit organization to provide services on FCRHA properties (Opportunity Neighborhood RestON); and 3. On-going work to improve Yardi.

Section V(B). MTW Report: Local Asset Management Plan	
i. Did the MTW PHA allocate costs within statute in the Plan Year?	**Yes**
ii. Did the MTW PHA implement a local asset management plan (LAMP) in the Plan Year?	**No**
iii. Did the MTW PHA provide a LAMP in the appendix?	**No**
iv. If the MTW PHA has provided a LAMP in the appendix, please provide a brief update on implementation of the LAMP. Please provide any actual changes (which must be detailed in an approved Annual MTW Plan/Plan amendment) or state that the MTW PHA did not make any changes in the Plan Year.	
N/A	

VI. Administrative

HUD Reviews, Audits or Physical Inspection Issues

No issues that require the agency to take action have been cited in HUD reviews, audits or physical inspections.

Update on PHA Directed Evaluations

The FCRHA is currently conducting its rent reform evaluation, which was started in late FY 2019. Rent reform is being implemented with a pilot group of RAD PBV participants. HCD has contracted with Virginia Tech to conduct the evaluation. They have selected the "control" and "study" groups and all of these potential participants were notified, were offered this opportunity, and households are determining whether or not they will participate. Those that agree to participate are meeting with the Rent Reform Housing Service Specialist for their recertification. This outreach will be finalized in early 2020.

Certification That the PHA Has Met the Three Statutory Requirements

The Fairfax County Redevelopment and Housing Authority certifies that it has met the three statutory requirements of:

1. Assuring that at least 75 percent of the families assisted by the Agency are very low-income families;

2. Continuing to assist substantially the same total number of eligible low-income families as would have been served had the amounts not been combined; and

3. Maintaining a comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the demonstration.

MTW Energy Performance Contract Flexibility Data

N/A