C. MTW Plan

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I. Introduction and Overview of the Agency's MTW goals and objectives for the year

The Fairfax County Redevelopment and Housing Authority (FCRHA) serves one of the most dynamic and diverse jurisdictions in the nation, and is uniquely positioned – both in terms of past performance and community capacity – to implement Moving to Work (MTW). The FCRHA envisions MTW as the keystone of its 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 the greatest level of self-sufficiency of which they are capable, 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 MTW Plan that every person and family in the FCRHA's programs do more than survive, the FCRHA wants them to thrive. The Plan 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.

In addition to providing housing options, the MTW Plan – as part of the THRIVE Initiative – will link households to services and programs offered by other 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 perhaps even homeownership.

The FCRHA provides a continuum of affordable housing ranging from rental vouchers and Public Housing; to moderately priced rental apartments and townhouses; all the way to 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.

> "Moving to Work is **a great opportunity** for people in the FCRHA's Public Housing and Housing Choice Voucher programs – people like me – to have the housing and services we need to build a better tomorrow for our families."
> *Paulette Whiteside, FCRHA Resident*

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 – Bridging Affordability, Housing Choice Voucher or Public Housing, the Fairfax County Rental Program and Homeownership or Unsubsidized Housing – provide a range of housing types and subsidy levels, each tied to the attainment of certain self-sufficiency skills.

Moving Along the Housing Continuum

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

- **Step Two – Public Housing or Housing Choice Voucher.** The federal Public Housing and Housing Choice Voucher programs will be used to 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. To ensure long term success, the FCRHA is engaging private landlords to offer initial discounts on their market rate housing as a way to ease this transition.

Households can enter the Housing Continuum at any step, based on their skills and individual needs, and directly 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.

THRIVE Housing Continuum

A Stepped Approach that Provides Work Incentives, Service Supports, and Permanent Housing

Step 1 - Bridging Affordability	Step 2 - Public Housing or Housing Choice Voucher	Step 3 - Fairfax County Rental Program	Step 4 - Homeownership or Unsubsidized Housing
< 30% AMI	< 50% AMI	< 80% AMI	Self-sufficient
Develop *"basic skill set"* for self-sufficiency --Skill assessment / job readiness training --Health assessment --Child care / elder care needs identified --Transportation needs identified --Financial literacy / Credit education --Ready-to-Rent training	Build *"intermediate skill set"* for self-sufficiency --Individual skill development / education / on-the-job training --Participate in health clinics/ services --Access child care & elder care services / parenting skills --Access transportation needs met --Financial literacy / Credit education	Expand *"independent skill set"* for self-sufficiency --Maintain stable employment / wage progression / education internships --Practice preventative health activities / health education --Stable family care --Reliable transportation --Attend homebuyer education / retirement planning / wealth-building	

Note: Elderly/disabled households may choose their level of participation in many aspects of the THRIVE/MTW program.

The MTW designation will allow the FCRHA to exponentially expand the scope and impact of the THRIVE Initiative. The FCRHA, consistently recognized by HUD as a high-performing public housing agency, proposes to use the flexibility that comes with the MTW designation to:

1) Create a **housing continuum** that seamlessly couples the County's *local and federal* housing programs and establishes skills-based benchmarks to move customers toward the greatest level of self-sufficiency they are able to attain.

2) 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.

3) 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 will permit FCRHA staff to concentrate on facilitating access to self-sufficiency services and opportunities, such as job training and higher education.

4) **Align housing resources with community needs**, consistent with the county's recently-adopted "Housing Blueprint".

The FCRHA's MTW Goals and Objectives

The FCRHA's MTW approach addresses the three mandatory MTW statutory goals and additional objectives, which include:

- Achieving greater cost effectiveness in the use of federal resources;
- Increasing housing choice for eligible low-income families;
- Giving incentives for 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 become economically self-sufficient;
- Piloting rent policies that will encourage self-sufficiency and assure accurate reporting of income;
- Leveraging local and federal resources to serve the same or larger number of families while preserving, transforming, and revitalizing Public Housing; and
- Changing or eliminating existing local preferences to better align resources with community needs.

The FCRHA's First-Year Activities under MTW:

- Create a gateway to the federal programs for those at the first step of the Housing Continuum, using the Fairfax County Bridging Affordability Program.
- Develop a basic skill set for self-sufficiency including skills assessment/job readiness training; health assessment and services referrals; identified transportation needs; training in basic financial literacy and credit education; and ready-to-rent training.
- Utilize an assessment tool for all participating MTW households and match them to the right fit for housing assistance and services.
- Renew existing partnerships with the Northern Virginia Workforce Investment Board and its affiliate, SkillSource Group, Inc. for skills assessments, job training and certification and placement into employment.
- Expand existing partnerships with non-profits, such as Northern Virginia Family Service, for job readiness training.
- Expand partnerships with the Fairfax-Falls Church Community Services Board and the Fairfax County Health Department for mental and other health services, clinics and education.
- Undertake an alternate rent strategy that will allow participating residents to establish escrow accounts using a portion of rising income for this purpose, as an incentive for wage progression and increasing self-sufficiency.
- Imbed the PROGRESS Center model for all FCRHA operated federal programs.
- Reduce frequency of reexaminations to allow more staff time to be devoted to helping families set goals and connecting them with services.
- Eliminate mandatory Earned Income Disregard calculation.

- Streamline Housing Choice Voucher and Public Housing inspection processes that will encourage good housekeeping by providing rebates.
- Institute a work requirement for all non-exempt families in Public Housing and Housing Choice Voucher programs.
- Design and initiate a rent reform controlled study.
- Evaluate the Moving to Work block grant.
- Consideration of a plan to dispose of scattered-site Public Housing units to an FCRHA-affiliated entity and implement project-based Section 8 assistance at those units to facilitate rehabilitation needs of the units, deconcentrate poverty, and streamline management efficiencies at those widely-dispersed units.
- Train staff in the new MTW model.

II. General Housing Authority Operating Information

A. Housing Stock Information

Housing Stock Information - Public Housing	
(1) Number of Public Housing units at the beginning of the year	1,065
(2) General description of any planned capital expenditures by development	None
(3) Description of any new Public Housing units to be added during the year by development	None
(4) Number of Public Housing units to be removed from the inventory during the year by development specifying the justification for the removal	The FCRHA is considering a plan to dispose of 209 scattered site Public Housing units in its first year as an MTW agency and implement project-based Section 8 assistance at those units to facilitate rehabilitation needs of the units, deconcentrate poverty, and streamline management efficiencies at those widely-dispersed units (see table below for details on 209 units). While this would remove the units from the Public Housing inventory, it will not decrease the FCRHA's total housing inventory.

Scattered Site Public Housing Units		
Asset Management Project (AMP)	**Property Locations**	**Number of Units**
AMP 1 VA019000001	Scattered Site	36
AMP 2 VA019000002	Scattered Site	40
AMP 3 VA019000003	Scattered Site	12
AMP 4 VA019000004	Scattered Site	16
AMP 5 VA019000005	Scattered Site	36
AMP 8 VA019000008	Scattered Site	48
AMP 9 VA019000009	Scattered Site	21
TOTAL Units		**209**

Public Housing

The following chart summarizes the number of Public Housing units available as of the beginning of the MTW plan year. The FCRHA has numerous scattered site properties, so the chart is broken down by bedroom sizes of the properties in each Asset Management Project (AMP). The property name is indicated in the AMPs that contain just one property.

AMP	Property Information	Number of Units	Eff	1 BR	2 BR	3 BR	4 BR
AMP 1 VA019000001P	Scattered sites	119	32	39	22	26	
AMP 2 VA019000002P	Scattered sites	88			44	38	6
AMP 3 VA019000003P	Scattered sites	108			4	93	11
AMP 4 VA019000004P	Scattered sites	111		2	24	79	6
AMP 5 VA019000005P	Scattered sites	174		52	108	14	
AMP 6 VA019000006P	Kingsley Park	108			54	54	
AMP 7 VA019000007P	Rosedale Manor	97	1	27	56	13	
AMP 8 VA019000008P	Scattered sites	96	1	10	57	28	
AMP 9 VA019000009P	Scattered sites	102			27	58	17
AMP 10 VA019000010P	Tavenner (Tax credit)	12			6	6	
AMP 11 VA019000011P	West Glade (26 tax credit)	50			15	21	14
TOTALS		**1065**	**34**	**130**	**417**	**430**	**54**

Housing Stock Information – Housing Choice Voucher	
(5) Number of eligible MTW Housing Choice Voucher units authorized	2,698 Regular vouchers 293 Project-based vouchers 25 Homeownership vouchers
(6) Number of non-MTW HCV units authorized	100 Non-Elderly Disabled (NED) 170 Family Unification Program (FUP) 48 Veterans Affairs Supportive Housing (VASH) 203 Tenant Protection
(7) Number of HCV units to be project-based during the Plan year, including a description of each separate property	The FCRHA is considering a plan to convert 209 Public Housing units to project-based assistance. In addition, 42 project-based vouchers may be competitively awarded to an agency/agencies that will use the units to house homeless families and individuals/persons with disabilities.

Other Available Housing

In addition to Public Housing and HCV, the Fairfax County Redevelopment and Housing Authority (FCRHA) also provides housing through the locally-funded Fairfax County Rental Program (FCRP). There are 1,929 multi-family units and 504 units for seniors operated under the FCRP. The FCRHA also owns and operates 19 Single Room Occupancy (SRO) units.

B. Leasing Information, Planned - this information is estimated and may be subject to change during the Plan year

Leasing Information	
Anticipated total number of MTW PH units leased in the plan year	830 (makes allowance for no more than 2% vacancy rate). This figure accounts for 209 Public Housing units that the FCRHA is considering a plan to dispose of in the first year.
Anticipated total number of non-MTW PH units leased in the Plan year	None
Anticipated total number of MTW HCV units leased in the Plan year	3,225 - This figure accounts for the 209 additional HCV units that may be disposed/converted from Public Housing.
Anticipated total number of non-MTW HCV units leased in the Plan year	521 - These include the allocations for NED (100), FUP (170), VASH (48), and Tenant Protection (203)
Description of anticipated issues relating to any potential difficulties in leasing units (HCV or Public Housing)	No potential difficulties in leasing units in either program are anticipated
Number of project based vouchers in-use at start of plan year	293

C. Waiting List Information

Waiting List Information	
Description of anticipated changes in waiting lists (site-based, community-wide, HCV, merged)	Elimination and/or change of preferences; merging of "area" based Public Housing wait lists into just one list. • Currently the following local preferences are applied to the FCRHA's PH and HCV wait lists: 1. Rent Burden Preference - household pays more than 30% of gross monthly income for rent and utilities **or** earns less than 50% of area median income. 2. Work Preference - head of household or spouse employed, attending school/job training or combination of both for at least 30 hours per week; **OR** meets HUD definition of being handicapped or disabled; **OR** is 62 years of age or older; **OR** is the primary caretaker of a disabled dependent. 3. Residency Preference - lives, works, or has been offered employment in Fairfax County. 4. Homeless Preference - families who are homeless or at risk of homelessness as determined and referred through a partnership with the Office to Prevent and End Homelessness. Points are assigned to each preference and applicants who meet all three preferences are placed at the top of the list by date of application. Remaining applicants are then placed according to the number of points and date of application. The FCRHA plans to reexamine its preferences to ensure they are based on local housing needs; at a minimum, the FCRHA will simplify its preferences so as to decrease the administrative burden of administering the wait list and allow for a wider cross-section of applicants to be served. • Currently the PH wait list is divided into three separate lists by geography. Applicants can apply to any list according to the area of the county in which they wish to live. Merging the three lists in to one will again reduce the administrative burden required to maintain three separate lists which will in turn increase efficiency in wait list management
Description of anticipated changes in the number of families on the waiting list(s) and/or opening and closing of the waiting list(s)	PH and HCV waiting lists have been closed for several years in an effort to reduce the applicants on the list to a manageable number. The goal is to reduce the list to a number that will establish a reasonable expectation that any person who applies will be called in to determine eligibility within 24 months of application submission. Analysis of prior year leasing data will be used to determine the appropriate number of applicants that should be maintained on each list to meet that goal and the date(s) the lists will re-open. There are currently 4,468 applicants on the PH wait list and 1,102 applicants on the HCV wait list.

III. Non-MTW Related Housing Authority Information

A. List planned sources and uses of other HUD or other Federal Funds (excluding HOPE VI)

A description of each of these initiatives follows this table.

Funding Source/Use	Amount
Veterans Affairs Supportive Housing (VASH)	$542,184
Tenant Protection/Enhanced Vouchers	$2,638,629
Family Unification Vouchers (Pre 2008)	$1,265,097
Family Unification Vouchers (Fiscal Years 2008 and 2009)	$1,265,097
Non-Elderly Disabled/Mainstream Vouchers	$1,265,097
Homeownership Vouchers	$253,019
Public Housing and Housing Choice Voucher Family Self Sufficiency Programs	$138,000
ROSS Service Coordinator Program	$160,000
TOTAL	**$7,527,123**

B. Description of Non-MTW Activities Proposed by Agency

Following is a description of the programs not included in the MTW program:

Funding Source	Description of Program
Veterans Affairs Supportive Housing (HUD-VASH)	48 vouchers combining HUD HCV rental assistance for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs at its medical centers and in the community.
Tenant Protection/Enhanced Vouchers	203 vouchers are tenant protection/enhanced vouchers. These vouchers were issued because the tenants were impacted by termination, opt-out or pre-payment of a multifamily assisted development or a property disposition action.

Funding Source	Description of Program
Family Unification Vouchers (Pre 2008)	70 Family Unification Program (FUP) Vouchers are made available to families for whom the lack of adequate housing is a primary factor in the separation, or threat of imminent separation, of children from their families or in the delay in the discharge of the child, or children, to the family from out-of-home care. FUP vouchers are also made available to youths ages 18 to 21 who left foster care at age 16 or older who lack adequate housing.
Family Unification Vouchers (Fiscal Years 2008 and 2009)	100 FUP Vouchers are made available to families for whom the lack of adequate housing is a primary factor in the separation, or threat of imminent separation, of children from their families or in the delay in the discharge of the child, or children, to the family from out-of-home care. FUP vouchers are also made available to youths ages 18 to 21 who left foster care at age 16 or older who lack adequate housing.
Non-Elderly Disabled/Mainstream Vouchers	100 Mainstream Vouchers awarded in 1998 made available to provide assistance to persons with disabilities.
Homeownership Vouchers	25 Homeownership Vouchers—provided to families to move toward homeownership.
Public Housing and Housing Choice Voucher Family Self Sufficiency Programs	Two family self-sufficiency coordinators serve 125 families in the Public Housing and Housing Choice Vouchers programs.
ROSS Service Coordinator Program	Two service coordinators assist Public Housing residents who are in crisis or who need assistance to connect to Fairfax County services so that they can maintain their stable housing.

In Fiscal Year 2014, the Fairfax County Redevelopment and Housing Authority (FCRHA) will continue to apply for funds/programs to further the FCRHA's goals and the U.S. Department of Housing and Urban Development's (HUD) priorities and goals. For example, should HUD release Notices of Funding Availability (NOFA), the FCRHA will apply for renewal Public Housing and Family Self Sufficiency Program grants and ROSS Service Coordinator Program grants, as well as for Non-elderly Disabled Vouchers, Family Unification Vouchers, and the Section 3 Coordinator Program grant.

When the FCRHA does apply for these programs, the programs are designed to meet HUD's strategic goals, including job creation, affirmatively furthering fair housing, and capacity building and knowledge sharing. For example, all of the programs mentioned above are partnerships with many Fairfax County agencies and non-profit organizations. Regularly, regarding mutual clients, the FCRHA meets to share knowledge with its various partners, as well as ultimately increase each other's capacity to serve clients.

IV. Long-term MTW Plan. Describe the Agency's long-term vision for the direction of its MTW program, extending through the duration of the MTW Agreement.

The Fairfax County Redevelopment and Housing Authority's (FCRHA) designation as a Moving to Work (MTW) agency is directly tied to an agency-wide shift in how the FCRHA serves the Fairfax County community. As the families in the housing programs require more assistance in achieving self-sufficiency and more service supports to maintain their housing stability, the FCRHA is transitioning from a model that ensures families can "survive," to one that partners with them to provide opportunities to "thrive." The concept for THRIVE is a:

Total
Housing
Reinvention Initiative for
Individual Success,
Vital Services, and
Economic Empowerment

The FCRHA's MTW designation is the latest component in the THRIVE foundation, which includes efforts already completed (the creation of the PROGRESS Center – *Partnership for Resident Opportunities, Growth, Resources, and Economic Self Sufficiency),* underway (the establishment of a new Asset Management division and the reinvention of the Housing Solutions Center), and planned or being considered (disposal of scattered-site Public Housing units to Section 8 subsidy; a Quality Properties Initiative; and a Healthy Living Initiative).

The development of this long-term vision is based both on the principles of THRIVE and the required goals of the MTW program:

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 become economically self-sufficient; and
3. Increase housing choices for eligible low-income families.

MTW Goal 1: Reduce Cost and Achieve Greater Cost Effectiveness in Federal Expenditures

Year One (FCRHA Fiscal Year 2014 - Described in detail in Section V. Proposed MTW Activities)

1. Reduce frequency of tenant reexaminations to biennially for all families and triennially for families on fixed incomes.

2. Eliminate Mandatory Earned Income Disregard (MEID) policy.

3. Streamline inspections for Housing Choice Voucher units.

4. Streamline unit inspections for Public Housing residents and offer rebates for good housekeeping as a way to preserve the housing stock and reduce maintenance costs.

5. Institute a work requirement for all non-exempt families in the Public Housing and Housing Choice Voucher programs.

6. Design and initiate a rent reform controlled study.

7. Design the Detailed MTW Block Grant Evaluation.

8. Allow Implementation of Reduced Payment Standards at Next Annual Re-examination

Year One (Additional Activities- HUD Approval not required)[2]

1. Create a gateway to the federal programs for those at the first step of the Housing Continuum, using the *Fairfax County Bridging Affordability Program.* Linking these programs will help prepare participating households for success in the federal programs. Their tenure in the Bridging Program will include services related to such issues as learning to be a good tenant, working on personal or past problems such as substance abuse, and learning basic financial skills. This link will better utilize federal resources by helping to prevent tenant non-compliance in the future.

2. Utilize an assessment tool for all participating MTW households and match them to the right fit for housing assistance and services. This MTW activity will ensure that households are placed in the housing that best suits their needs. Given the Housing Continuum available through the FCRHA, federal resources will be more effectively used and aligned well with household need. In addition, this approach significantly leverages federal resources by taking full advantage of local and private resources.

[2] These activities are local efforts that enhance the FCRHA's THRIVE initiative and in some cases, represent leveraged resources in the FCRHA's MTW application.

Years Two through Five (FCRHA Fiscal Years 2015 - 2018)

1. **Develop a Healthy Lifestyles Initiative.**

   The Healthy Lifestyles Initiative is another component of THRIVE that will provide families with education resources related to proper diet, exercise options, and preventive health tools. The FCRHA envisions creating community gardens at its Public Housing sites, working with families on healthy living through their Individual Development Plans, and bringing healthy exercise opportunities to youth in the Housing Continuum.

2. **Remove families from waiting lists when housed in the Housing Continuum or removed from other waiting lists.**

   As the FCRHA transitions from a system where families apply to housing programs to a system where they apply to "THRIVE housing," the FCRHA will remove families from one of our federal housing waiting lists when they have been housed elsewhere in the Housing Continuum. The FCRHA's housing resources are too scarce and valuable to allow families to continue to take a spot on a waiting list for housing when they are already in an affordable, permanent housing situation. The FCRHA will also remove families from its lists if they have been removed from another list due to criminal activity or owing debts to other Public Housing Authorities, and will not provide available tenant-based vouchers to families already residing in a project-based unit.

3. **Design and implement utility allowance simplification.**

   As families in the Housing Choice Voucher program receive a voucher and begin their search for a unit, the multiple variations of utility allowances possible for any given unit makes it difficult to determine a unit's eligibility for the program. The back and forth between families, landlords and staff in determining the correct utilities in the unit, whether the allowances are accurate, and how it impacts the contract rent is overly burdensome. The FCRHA will begin to simplify this process, perhaps by using a flat utility allowance by bedroom size.

4. **Use technology to streamline business process.**

   The regulatory relief achieved through the MTW designation will allow the FCRHA to further explore efficiencies that can be achieved through its technology systems, including Yardi, its database management system. The FCRHA will look into conducting reexaminations by mail or online and using more paperless technology like bar code documents for scanning.

5. **Increase the FCRHA's ability to maintain its scarce housing resources.**

   The FCRHA believes its housing resources, particularly its Housing Choice Vouchers, should be utilized in Fairfax County as much as possible. As the

FCRHA expands opportunities for families to build savings through escrow accounts, partially through investments by the housing authority, the FCRHA will only allow families to port out of Fairfax County with those savings accounts under certain circumstances, like a family emergency. In order for more families to have access to our resources, the FCRHA will only allow a voucher to be transferred from one household member to another in the case of a family break-up.

MTW Goal 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 become Economically Self-Sufficient

Year One (FCRHA Fiscal Year 2014 - Described in detail in Section V. Proposed MTW Activities)

1. Reduce frequency of tenant reexaminations to a biennial cycle for all families and triennial for families on fixed incomes.

2. Eliminate Mandatory Earned Income Disregard (MEID) policy.

3. Institute a work requirement for all non-exempt families in the Public Housing and Housing Choice Voucher programs.

4. Design and initiate a rent reform controlled study.

Year One (Additional Activities- HUD Approval not required)[3]

1. Develop an MTW basic skill set for self-sufficiency including skills assessment/job readiness training; health assessment and services referrals; identified transportation needs; training in basic financial literacy and credit education; and ready-to-rent training. These services will be provided through non-profit organizations and county human services agencies.

2. Utilize an assessment tool for all participating MTW households and match them to the right fit for housing assistance and services.

3. Renew existing partnerships with the Northern Virginia Workforce Investment Board and its affiliate, SkillSource, Inc. for job training and placement.

4. Expand existing partnerships with non-profits for job readiness training.

5. Expand partnerships with the Fairfax-Falls Church Community Services Board and the Fairfax County Health Department for mental and other health services, clinics and education.

6. Imbed the FCRHA PROGRESS Center model for all FCRHA-operated federal programs—providing crisis intervention, employment opportunities and community building.

7. Provide training to FCRHA/HCD staff to enhance their ability to connect households to needed services, resources and opportunities. Provide counseling

[3] These activities are local efforts that enhance the FCRHA's THRIVE initiative and in some cases, represent leveraged resources in the FCRHA's MTW application.

training to improve staff capacity to assist families in setting and meeting self-sufficiency goals.

Years Two through Five (FCRHA Fiscal Years 2015 - 2018)

1. **Implement reforms in HUD's Family Self-Sufficiency (FSS) Program.**

   The FCRHA has found that the FSS program discourages higher-income families from participating and taking advantage of the FSS savings component because families only begin to escrow after an earned income increase. Families entering the program at zero income can maximize their savings at a greater rate than working families, and so the FCRHA will consider implementing a minimum rent contribution before families can escrow. Additionally, participating families will not be allowed to withdraw funds from their escrow accounts in the first twelve months of participation so they can build up their balances and staff can reinforce the basic skills of budgeting and goal-oriented saving. Any changes to the FSS program will be consistent with any competitive funds received pursuant to a NOFA, if those funds are not permitted to be included in the MTW block grant.

2. **Leverage supportive service capacity.**

   Although the regulatory relief the FCRHA can achieve through MTW will allow staff to focus more on people and less on paperwork, staff will need the expertise of other human service agencies and nonprofit partners to ensure families have access to the support they need to achieve self-sufficiency. The FCRHA believes its rent reform controlled study will offer a model for service provision that can be replicated throughout the Housing Continuum, but it will also explore other opportunities to expand the capacity of nonprofits to work with families, including using savings achieved through combining operating, capital, and voucher funds.

3. **Define soft and hard triggers in the Housing Continuum.**

   The FCRHA wants to give families opportunities to move through the Housing Continuum as they increase their self-sufficiency skills and their income. That flow through the Housing Continuum will be achieved through a combination of incentives and requirements. "Soft triggers" could include an offer for a unit further along in the Housing Continuum if a family requests to make that next step, if they have achieved a goal in their Individual Development Plan, or if their caseworker assesses them as ready for the next step, or a combination of these factors. "Hard triggers" could include a required move if the family's income increases to a level where they are eligible for the next step, if their assets reach a level where they can afford a down payment, if they have accessed the savings in their escrow account multiple times, or a combination of these factors.

4. **Expand HUD's Public Housing community service requirement.**

   The FCRHA agrees in principle with HUD's requirement that families participate in community service if they are not working, elderly, disabled, etc. In fact, the FCRHA plans to expand this requirement to Housing Choice Voucher participants. While maintaining consistency with the statutory requirements, the FCRHA would like to expand the community service and work requirements for all program participants, and include them in a family's IDP as a way to encourage work and community participation.

5. **Partner with local banks to assist families in establishing savings.**

   Although the FCRHA's initial escrow savings approach is limited to families in its rent reform controlled study, the FCRHA recognizes the connection between saving and achieving self-sufficiency. Staff will work with local banks to solicit competitive savings rates for families as well as innovative programs that may encourage the value of building a nest egg.

MTW Goal 3: Increase Housing Choices for Eligible Low-Income Families

Year One (FCRHA Fiscal Year 2014 - Described in detail in Section V. Proposed MTW Activities)

1. Design the Detailed MTW Block Grant Evaluation.

2. Link housing supply and resources—both public and private—to create a housing continuum and a range of housing choices to low income families and individuals.

3. With HUD's approval, consider a plan to dispose of scattered-site Public Housing units to an FCRHA-affiliated entity and, using MTW authority, implement project-based Section 8 assistance at those units to facilitate housing choice for residents.

Year One (Additional Activities- HUD Approval not required)[4]

1. Utilize an assessment tool for all participating MTW households and match them to the right fit for housing assistance and services.

2. Partner with private landlords to pledge a number of rental units for households in the Housing Continuum. While providing a small discount, this approach would help ease the transition from assisted to market-rate housing. This concept was developed by a for-profit member of the FCRHA's THRIVE Community Advisory Committee and the FCRHA will continue to explore leveraging this potential resource and recruiting other interested partners.

Years Two through Five (FCRHA Fiscal Years 2015 - 2018)

1. **Create admissions preferences in FCRHA housing programs for families in the Housing Continuum.**

   Many of the FCRHA's programs, like the Fairfax County Rental Program and the First-Time Homebuyers Program, have waiting lists. As the FCRHA transitions from a system where families apply to housing programs to a system where they apply to "THRIVE housing," staff will adjust the requirements of those programs to ensure that THRIVE families have a preference for admission.

[4] These activities are local efforts that enhance the FCRHA's THRIVE initiative and in some cases, represent leveraged resources in the FCRHA's MTW application.

2. **Coordinate THRIVE housing resources with public transportation locations.**

   The U.S. Department of Housing and Urban Development has recognized the nexus between transportation and affordable housing through its partnership with the U.S. Department of Transportation and the EPA. This issue is particularly relevant in Fairfax County, which covers nearly 400 square miles and is recognized as one of the most congested areas in the country. As the FCRHA achieves more flexibility in its affordable housing delivery through the MTW designation, it will pursue housing development near public transportation locations and encourage Housing Choice Voucher and Bridging Affordability participants, who have access to units through the county, to consider leasing near public transportation.

3. **Expand FCRHA affordable housing resources through the MTW Block Grant.**

   A key requirement of an MTW program is to continue to assist substantially the same total number of low-income families under the demonstration as would have been served had the PHA not participated in MTW. The FCRHA is confident that it can serve more families through the flexibility of the MTW Block Grant. The fungibility feature of the block grant fits perfectly with the goals of the Housing Continuum and the FCRHA expects to achieve significant cost efficiencies which will allow for the development and acquisition of more affordable housing.

4. **Establish partnerships with community organizations to administer vouchers for under-served populations.**

   Through Fairfax County's Housing Blueprint, housing resources are being repositioned to serve citizens with the greatest need, particularly homeless individuals and families and households with special needs. At the same time, organizations serving these groups are experiencing dramatic funding cuts and/or insufficient housing resources. For example, the Fairfax-Falls Church Community Services Board, which assists individuals with intellectual disabilities, mental illness, and substance abuse disorders, estimates that over 1,100 additional affordable housing units are needed over the next five years to serve their clients[5]. By comparison, the Fairfax County Office to Prevent and End Homelessness identified 2,982 individuals who were homeless and in need of permanent affordable housing in Fiscal Year 2011[6]. The FCRHA plans on using its MTW flexibility to allow agencies such as these to administer an allocation of FCRHA housing resources to serve their clients.

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[5] Fairfax-Falls Church Community Services Board. *Forging a Path Homes: 2011 Housing Needs Report.* http://www.fairfaxcounty.gov/csb/reports/housing-report.pdf.

[6] Fairfax County Office to Prevent and End Homelessness. *Ending Homelessness in the Fairfax-Falls Church Community: Snapshot 2011.* http://www.fairfaxcounty.gov/csb/reports/housing-report.pdf.

5. **Project-base scattered-site Public Housing units.**

   The FCRHA is considering a plan to dispose of 209 scattered-site Public Housing units and implement project-based Section 8 assistance at those units, which will facilitate rehabilitation needs, de-concentrate poverty, increase housing choice, and streamline management efficiencies at those widely-dispersed units.

V. Proposed MTW Activities: HUD approval requested

The activities listed in Section V are those policy changes requested by the FCRHA that require HUD approval prior to implementation. These activities, described here in a format prescribed by HUD, come from a collaborative process that included suggestions from Department of Housing and Community Development (HCD) staff, the THRIVE Advisory Committee, and the FCRHA. All activities are designed in the context of the FCRHA's THRIVE initiative and are intended to (1) increase HCD staff capacity to work directly with families in achieving individual success and self-sufficiency, (2) reduce unnecessary paperwork that does not add value to the FCRHA's housing programs, (3) create new policies designed to incentivize families to improve their economic situation, and (4) develop a rent strategy that allows families to receive self-sufficiency services and build a nest egg for the future.

All activities proposed by the FCRHA in this section will be evaluated within the Results-Based Accountability (RBA) framework being implemented throughout the Fairfax County human services system. RBA is described in detail in Section VIII.

2014-1 Proposed MTW Activity—Reduction in Frequency of Reexaminations

Connecting to THRIVE – Reducing the frequency of required reexaminations in the federal Public Housing and Housing Choice Voucher programs will allow the FCRHA to implement its "people not paperwork" approach, described in detail in Section IV. The FCRHA believes that families in its housing programs will be more able to focus on self-sufficiency and movement through the THRIVE Housing Continuum if staff – both Department of Housing and Community Development (HCD) and other Fairfax County agencies – are able to focus their efforts on working directly with families on their self-sufficiency needs. Although families will still be required to report any income and family composition changes to the FCRHA, staff will only process a reexamination every two years (for all working families) or three years (for elderly and/or disabled families on fixed SSI or SSDI incomes). This change is critical to ensuring that families can build their skill sets and work on challenges such as child care, elder care, wage progression, and reliable transportation; and have access to the full spectrum of resources available throughout Fairfax County. The FCRHA believes that it can have a significant impact on the lives of all families if its housing if staff has the time and training to refocus their efforts on people, and less on paperwork.

A. **MTW Initiative Description:** This activity's main objective is to provide a work incentive for all families and to reduce the burden on staff and families by reducing the frequency of income reexaminations. Reexaminations will be reduced from annually to once every two years for each public housing and housing choice voucher family. Reexaminations for families on fixed incomes receiving only SSI and / or SSDI will be conducted every three years. The exception to this policy will be families that claim to have zero income; these families will continue to meet with FCRHA staff regularly. The FCRHA proposes to disregard all interim increases—that is, increases in income between annual reexaminations—until the next scheduled biennial or triennial reexamination.

The FCRHA proposes reducing the frequency of interim decreases, a reported decrease in income, 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 receive a rent increase when their income increases as a result of self-sufficiency successes such as new employment or job promotion. However, the FCRHA will continue to require families to report all income changes, and will continue to monitor income through HUD's Enterprise Income Verification (EIV) System to prevent program fraud and ensure compliance with continued occupancy income requirements.

Through this proposed activity, the FCRHA will also reduce the regulatory burden both on the participant families and staff to allow a greater focus on people—not paperwork. This program change will allow staff to dedicate additional time to facilitating self-sufficiency services for program participants, such as job training, higher education, and employment.

B. **MTW Statutory Objective:** This activity addresses the MTW statutory objective to achieve greater cost effectiveness in Federal expenditures and to assist families achieve economic self-sufficiency.

C. **Anticipated Impacts:** Several impacts are anticipated from this policy change:

1. This policy is projected to significantly reduce staff time dedicated to reexaminations.
2. Staff will spend more time assisting families by connecting them to self-sufficiency activities such as credit repair, budgeting, job training/educational assistance, and life skills improvement (either through enrolling more families in the County's Family Self-Sufficiency (FSS) programs or connecting them with other human services agencies that provide these activities.)
3. A greater proportion of families in the Housing Choice Voucher and Public Housing programs will work and working families will have higher wage incomes, allowing them to move along the Housing Continuum.
4. Families will maintain a more stable rent burden,
5. Enrollment in FSS program activities and other community self-sufficiency programs will increase.
6. Families will show improvement on self-sufficiency measures, including indicators relating to income, employment, family relations, credit worthiness, and education.
7. There may be a temporary reduction in rental revenue or increase in Housing Assistance Payments (HAP) to landlords.

D. **Baselines, Benchmarks, Outcome Metrics, Anticipated Schedules[7]:**

Outcome Metric	Baseline	Benchmark
Hours of staff time in reexamination process	In calendar year 2011 FCRHA staff spent approximately 10,930 hours conducting HCV annual and interim income reexaminations. FCRHA staff spent approximately 3,579 hours conducting Public Housing annual and interim income reexaminations.	Reduce staff reexamination time by 40%
Hours of staff time assisting families to connect with self-sufficiency services	Housing specialists currently provide referrals to other Fairfax County human services agencies, but conduct no on-going self-sufficiency activities with families. The baseline is 0. The FCRHA has two grant-funded positions for Family Self-Sufficiency activities targeting public housing and housing choice voucher families with a caseload of 50 families each.	Increase staff time dedicated to linking families to self-sufficiency activities by an amount equivalent to the time not needed for reexaminations.
Percentage of families with employment activity	Percentage of families with employment activity in 2013.	Increase the proportion of families with employment activity by one percentage point.
Average wages of families	The average adjusted annual income of HCV families at their 2011 annual reexaminations was $16,314 and in the Public Housing (PH) program, the average adjusted annual income of families at their 2011 annual reexaminations was $18,770.	A benchmark for increase in average wage of families will be established in year one.
Changes in total tenant payment (TTP)	In calendar year 2011, 93 HCV families requested a rent reduction within six months of their move-in date. In the PH program, 20 families requested a rent reduction within that same time period. The average rent/TTP payment for HCV	Elimination of all interim increases and interim decreases six months after initial occupancy.

[7] Throughout Section V, proposed activities are described using the following terms: Outcome metrics are the units of measure used to evaluate the impact of program activities. Baselines represent the current conditions in specific activity areas and are expressed in terms of the relevant outcome metrics. Benchmarks are target outcomes for specific activities and are also expressed in terms of the relevant outcome metrics. The anticipated schedule describes when a particular activity will be undertaken in the course of the proposed multiyear program of activities.

Outcome Metric	Baseline	Benchmark
	families at their 2011 annual reexaminations was $411 per month. Approximately half of the HCV families reported an increase in gross income, with an average increase of just over $4,500; and about a fourth of the HCV families reported a decrease in gross income, with an average decrease of nearly $4,000. The average rent/TTP payment for PH families at their 2011 annual reexaminations was $471. Thirty percent of the PH families had a decrease in adjusted annual income, with an average decrease of $3,300 per year; nearly one fourth had no change in adjusted annual income; and 46% had an increase in adjusted annual income, with an average increase of $5,254 per year.	
Number of families enrolled in FSS and other self-sufficiency programs	Currently, 100 families in the FCRHA's Public Housing and Housing Choice Voucher programs participate in self-sufficiency activities.	Increase participation in FSS programs by 25 families. Connect another 50 families to other self-sufficiency classes.
Values on the Self-Sufficiency matrix (see below) established by the Fairfax County Office to Prevent and End Homelessness on the following indicators - Credit - Income - Employment - Shelter - Education - Family Relations	Baseline measures of families' position along the self-sufficiency matrix will be determined in year one.	Families and individuals will make progress towards self-sufficiency as measured by indicators included in the Self-Sufficiency matrix (see below.)
Rental revenue/HAP payments to landlords	Baseline measures of total rental revenue/HAP payments to landlords will be determined in 2013.	Potential for temporary drop in rental/HAP payments but recovery by year two

Outcome Metric	Baseline	Benchmark
Families moving through the Housing Continuum	Currently families are not able to move from one FCRHA housing program to another. Baseline is zero.	A benchmark for number of families moving through the Housing Continuum will be established in year one.

Anticipated Schedule: The proposed implementation of the reduction in frequency in reexaminations will begin with annual reexaminations effective July 1, 2013.

E. **Data Collection Process and Proposed Metrics:** The proposed metrics have been described in section D above. The FCRHA will monitor outcomes through existing systems (including their Results-Based Accountability methodology (described in Section VIII) and the HUD Homeless Management Information System (HMIS) that tracks participants progress with a Self-Sufficiency matrix), as well as new approaches to monitor staff time spent on reexaminations and other activities.

HUD HMIS / Self-Sufficiency Matrix: The FCRHA is well-positioned both to connect families and individuals to self-sufficiency services and to track participants' outcomes using existing service providers and data management systems. FCRHA staff will work closely with the Office to Prevent and End Homelessness (OPEH) to gain expanded access to the Homeless Management Information Systems (HMIS) to monitor a family's progress on the Family Self-Sufficiency Matrix. The Fairfax County OPEH uses the HMIS to track demographic and self-sufficiency information of homeless families. Data from the HMIS also is used to support case management of subsidized families in the partnerships the FCRHA has with non-profit organizations through its Bridging Affordability Program, Partnership for Permanent Housing, Transitional Housing, Project Homes, and Special Needs Homeless initiatives.

During the first 12 months of MTW implementation, the FCRHA will work with OPEH to coordinate ongoing data collection from the HMIS for purposes of tracking self-sufficiency from initial entry into FCRHA housing programs to exit from the programs. Self-sufficiency categories pertinent to subsidized housing include Credit, Income, Employment, Shelter, Adult Education, and Family Relations. Participants are evaluated on each of these measures and are assigned a status level from level 1 (In crisis) to 2 (Vulnerable), 3 (Stable), 4 (Self-Sufficient), and 5 (Thriving). The goal is for families and individuals to move further along the Housing Continuum from where they were first assessed.

Other existing processes: Existing reports will be used to determine the number of new families participating in Family Self-Sufficiency programs and self-sufficiency classes at the end of 12 months.

New data collection processes: A new approach will be put into place to monitor progress in reaching other benchmarks. The Program Director or designee will review a random sample from housing specialists' caseloads to determine the new average time collected over subsequent years to document the change in staff time dedicated to reexaminations.

A financial report will be established to evaluate rental revenue and HAP impact. Also, an analysis of program violations will be performed to determine any impacts on non-compliance due to less frequent review of program requirements.

F. **Authorization Cited:** Sections C.4 Initial, Annual and Interim Income Review Process, and D.1(c) of Attachment C of the Amended and Restated MTW Agreement.

G. **Rent Reform Information:**

1. **Board Approval of Policy:** The FCRHA's approval of this MTW initiative is included in the FCRHA's resolution adopting the MTW application and First Annual MTW Plan.
2. **Impact Analysis:** A description of this rent reform initiative to reduce the frequency of reexaminations, its anticipated impacts, and the metrics that will be used to assess the impacts of this reform can be found above. Although metrics have been included, the FCRHA will update the baselines prior to implementation of this rent reform. In calendar year 2011, approximately half of the HCV families reported an increase in gross income, with an average increase of just over $4,500; and about a fourth of the HCV families reported a decrease in gross income, with an average decrease of nearly $4000. In calendar year 2011, 30% of the PH families had a decrease in adjusted annual income, with an average decrease of $3,300 per year; nearly one fourth had no change in adjusted annual income; and 46% had an increase in adjusted annual income, with an average increase of $5,254 per year. Under MTW activity 1, about half of both HCV and PH families who otherwise would have experienced rent increases would not because their income increases would not be counted. Although the FCRHA does not anticipate that a reduced frequency of reexaminations will disproportionately affect households in any specific demographic group, the FCRHA will include in its baseline and benchmark metrics, specific measures to capture changes in wages, TTP, and progress toward self-sufficiency and these metrics will be broken out by race, ethnicity, gender, age and disability.
3. **Annual Reevaluation of Rent Reform Initiative:** Outcomes will be measured, and reviewed annually using the benchmarks and metrics described above as well as the rent impact analysis. The FCRHA will also seek public comment annually on its rent reform initiative as part of the public hearing accompanying its MTW Annual Plan.
4. **Hardship Case Criteria:** All families will be subject to the FCRHA's MTW Hardship Policy. See Appendix A.
5. **Transition Period:** The FCRHA plans to implement this activity in its first year of designation as an MTW agency by HUD.

6. **Documentation of Public Hearing:** See Section D Evidence of Community Support and Involvement, which includes the documentation of the public hearing and related consultations that occurred in connection with the MTW application and First Annual MTW Plan.

2014-2 Proposed MTW Activity—Eliminate Mandatory Earned Income Disregard (EID) Calculation

Connecting to THRIVE – Similarly to Activity 1 (Reduction in Frequency of Reexaminations), eliminating the Mandatory Earned Income Disregard (EID) calculation will present another opportunity for cost effectiveness and will allow staff to reallocate resources toward self-sufficiency development. EID regulations are cumbersome to apply yet affect only 1% of families in the Public Housing and Housing Choice Voucher programs. The FCRHA believes the time spent on complying with this relatively obscure calculation would be better used to help families with Individual Development Plans and goal-setting.

A. **MTW Initiative Description:** As a companion measure to the reduction in frequency of reexaminations, the FCRHA will eliminate the Earned Income Disregard (EID) calculation. Any assisted family in the Public Housing program, and any assisted family in the HCV program that has a family member(s) with disabilities, are eligible for EID when an unemployed or under-employed family member obtains a job or increases their wages. The resulting income increase is fully excluded for 12 months and 50% excluded for an additional 12 months. Full and partial exclusion of wages is limited to 48 consecutive months. In FY 2011 only 52 families in the Public Housing and Housing Choice Voucher programs benefited from the EID calculation. Each family may be in a different exclusion phase or month count, making EID cumbersome for staff to administer.

   The FCRHA is proposing to eliminate the HUD-mandated EID calculation. Given less frequent reexaminations and disregard of interim increases in income, FCRHA expects the elimination of EID to have a negligible effect on assisted families.

B. **MTW Statutory Objective:** This addresses the MTW statutory objective to reduce costs and achieve greater cost effectiveness in Federal expenditures.

C. **Anticipated Impacts:** Impacts anticipated from this change include:

   1. A reduction in the number of families receiving the EID;
   2. A reduction in staff time required to calculate a family's rent portion; and
   3. A reduction in the likelihood of errors associated with calculating potential income exclusions.

   The FCRHA does not anticipate any participants will be adversely affected by this activity since most EID eligible individuals will realize savings through the FCRHA's proposed reexamination and interim policies. There could be short-term increase in rental revenue or decrease in HAP to landlords.

D. Baselines, Benchmarks, Outcome Metrics, Anticipated Schedules:

Outcome Metric	Baseline	Benchmark
Number of families receiving the EID calculation	In FY 2011 there were 35 PH participants and 17 HCV participants eligible for the EID calculation	0 households will receive the EID calculation
Hours of staff time in rent calculation process	Average hours of staff time in rent calculation process in 2013	The amount of staff time in rent calculation process will be lower
Hours of staff time connecting residents to services	Average hours of staff time in connecting residents to services in 2013	The amount of staff time in connecting residents to services will be higher
Number of errors in income calculation	Number of errors in income calculation in 2013	The number of errors in income calculations will be reduced

Anticipated Schedule: The proposed implementation of the elimination of EID will begin effective July 1, 2013.

E. **Data Collection Process and Proposed Metrics:** As mentioned in the prior activity, during the first full year as an MTW agency FCRHA staff will monitor time spent with families on income reexaminations through review of a random sample of housing specialists' caseloads.

F. **Authorization Cited:** Sections C.11 and D.2 (a) of Attachment C of the Amended and Restated MTW Agreement.

G. **Rent Reform Information:**

1. **Board Approval of Policy:** The FCRHA's approval of this MTW initiative is included in the FCRHA's resolution adopting the MTW application and First Annual MTW Plan.
2. **Impact Analysis:** A description of the rent reform initiative to eliminate the EID calculation, its anticipated impacts, and the metrics that will be used to assess the impacts of this reform can be found above. Although metrics have been included, the FCRHA will update baselines prior to implementation of this activity. There are currently 35 PH residents that are either in the initial year (100% exclusion), phase-in year (50% exclusion) or are on "hold" (currently no exclusion due to loss of income but still within the 48 month time period). This represents 3% of all PH households. The total amount of earned income currently being excluded is $258,198. While this represents a potential increase in PH payments to HCD of approximately $77,459 (30%), this increase will be offset by the proposed MTW Activity of reducing the frequency of reexaminations.
   There are currently 17 HCV residents in the initial or phase-in year or on hold. This represents less than 1% of the FCRHA's total voucher allocation. While this measure would result in a slight decrease in HAP to landlords, the decrease would be negligible due to the low percentage of EID households and the proposed reduction in frequency of reexaminations.

With a reduced frequency in reexaminations and the disregard of interim increases in income, the FCRHA expects that the elimination of EID will have a negligible effect on assisted families. While in Public Housing EID might apply to any family when an unemployed or under-employed family member obtains a job or increases their wages, in HCV, the EID policy only applies to family members with disabilities, and therefore metrics will be limited to that population. Metrics, as appropriate, will also be broken out by race, ethnicity, gender and age.

3. **Annual Reevaluation of Rent Reform Initiative:** As this activity is implemented, the FCRHA may revise the activity's metrics and further quantify and refine its performance baselines and benchmarks. If there is a negative impact on EID-eligible adults with regard to payment of rent, an analysis will be completed to determine if a change in the activity should be implemented, and under what circumstances.
4. **Hardship Case Criteria:** See Appendix A for proposed FCRHA Hardship Exemption Policy allowing families to claim interim decreases.
5. **Transition Period:** The FCRHA plans to implement this activity in its first year of designation as an MTW agency by HUD.
6. **Documentation of Public Hearing:** See Section D. Evidence of Community Support and Involvement, which includes the documentation of the public hearing and related consultations that occurred in connection with the MTW application and First Annual MTW Plan.

2014-3 Proposed MTW Activity—Streamlined Inspections for Housing Choice Voucher (HCV) Units

Connecting to THRIVE – 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 high-quality, and (2) it provides an incentive for families to maintain their units via less frequent inspections of their units. If successful, this activity will significantly reduce the costs associated with conducting HCV inspections, encourage owners to maintain their units, and incentivize families to employ good housekeeping practices.

A. **MTW Initiative Description:** HUD regulations currently mandate that housing authorities inspect every HCV unit at least annually to ensure it meets Housing Quality Standards (HQS). While the FCRHA intends to uphold HUD's high standards of decent, safe, and sanitary housing for all HCV families, the FCRHA believes it can maintain these standards more cost-effectively through regular biennial, quality control and special inspections.

   In the first MTW year, all applicants/current participants and owner/landlords will receive information explaining Housing Quality Standards and will be required to certify that they understand these standards. All units will undergo their last annual inspection and start the biennial inspection process in Fiscal Year 2014. In the year between biennial inspections, tenants and owners will self-certify that the unit continues to meet HQS standards or request an inspection. Tenants, owners, or a third-party will have the option to request Special Inspections at any time, and any complaints received by the FCRHA from a tenant, owner or third-party may revert certain units back to an annual inspection cycle. Additionally, all HCV units will be subject to Quality Control Inspections and the FCRHA will specifically focus these inspections on households that may be less likely to report unsafe or unsanitary conditions.

   The FCRHA will start inspecting its own units occupied by voucher participants. Currently, HUD requires an outside contractor to perform such inspections. This results in a higher cost to the agency than when its own staff conducts inspections. Also, outside contractors have not been as customer focused, timely, or responsive on follow-up inspections as FCRHA staff. All units housing HCV participants, including FCRHA-owned units, must adhere to HUD's HQS standards. Inspection staff will follow HQS protocol including using HUD Form 52580 for all inspections. The FCRHA also plans to begin inspecting its own project-based HCV properties. Tenants occupying FCRHA-owned units may request a special inspection if they feel the unit is not in good condition or unsafe.

   Inspection schedules for all units will be based on geographic clustering of units within specified locations in Fairfax County resulting in reduced travel time for inspection staff.

B. **MTW Statutory Objective:** This addresses the MTW statutory objective to reduce costs and achieve greater cost effectiveness in Federal expenditures.

C. **Anticipated Impacts:**

1. This policy is projected to generate significant staff time savings by eliminating follow-up inspections for minor fail items and geographically inspecting units and reducing travel time.
2. This will allow time to be redirected to more landlord and community outreach and resident/participant service programs.
3. It will also allow staff to focus its efforts on the most at-risk units.
4. Cost savings of 25% are anticipated by reducing outside contractor costs and shift more responsibility to residents to ensure adequacy of the unit in which they live.
5. There may be more HQS issues during subsequent second-year inspections.

D. **Baselines, Benchmarks, Outcome Metrics, Anticipated Schedules:**

Outcome Metric	Baseline	Benchmark
Number of units receiving minor fail violations	Number of units with minor fail violations in 2013	Number of units receiving minor fail violations will decrease by 10%.
Number of units failing HQS	Number of units that failed HQS in 2013	Number of units failing HQS will decrease by 10%.
Total contractor cost of conducting HQS inspections	Total contractor cost in 2013	Contractor costs will be eliminated. Reimbursement of one month's TTP to families for successfully meeting the requirements and maintaining their units to required standards will increase from $0 to less than 5% of monthly HAP.

Anticipated Schedule: The proposed implementation of the changes to streamline inspections for HCV units will begin July 1, 2013.

E. **Data Collection Process and Proposed Metrics:** The FCRHA will pull the data needed from its financial invoices and data base. To evaluate the success of this activity, the FCRHA will track the number of inspections conducted and requests for special/complaint inspections, and the percentage of failed HQS inspections, separately for annual inspections and inspections where an annual inspection was not done in the previous year. Metrics for the above baseline measures will be collected every year after the activity is implemented.

F. **Authorization Cited:**

- Section D.5 of Attachment C of the Amended and Restated MTW Agreement;
- Section D.7 a of Attachment C of the Amended and Restated MTW Agreement;

G. **Rent Reform Information:** Not applicable

2014-4 Proposed MTW Activity—Streamlined Unit Inspections for Public Housing (PH) Residents

Connecting to THRIVE – Similarly to Activity 3 (Streamlined Inspections for Housing Choice Voucher Units), the FCRHA believes that streamlining its Public Housing inspections will both reduce costs for the agency, and provide another tool for families to engage in their own self-sufficiency. Rather than treat all units and families the same, the FCRHA will focus its inspection efforts on educating families on Uniform Physical Condition Standards (UPCS), monitoring and inspecting at-risk/problematic units, encouraging families to maintain their units, and providing rent rebates to families that do so. This activity is yet another example of how the MTW designation provides the flexibility to better allocate resources and reward committed families.

A. **MTW Initiative Description:** HUD regulations currently mandate that housing authorities inspect every PH unit at least annually to ensure it meets Uniform Physical Condition Standards (UPCS). While the FCRHA intends to uphold HUD's high standards of decent, safe, and sanitary housing maintained in good repair for all PH families, the FCRHA believes it can achieve this outcome more cost-effectively through regular biennial, quality control and special inspections and by rewarding tenants who consistently maintain their units in excellent condition.

   In the first year of the MTW demonstration, the applicant/participant family will receive information about UPCS and will be required to certify that they understand these standards. All units will undergo their last annual inspection and start the biennial inspection process in Fiscal Year 2014. In the year between biennial inspections, tenants will self-certify that the unit continues to meet UPCS standards or requests an inspection. Tenants and third-parties will have the option to request Special Inspections at any time, and any complaints received by the FCRHA from a tenant or third-party may revert certain units back to an annual inspection cycle. Additionally, all PH units will be subject to Quality Control Inspections and the FCRHA will specifically focus these inspections on households that may be less likely to report unsafe or unsanitary conditions.

   Public Housing applicants and participants will also have an opportunity to receive a rebate of their rent, in part by attending a UPCS training provided by the FCRHA. For applicant families, this training will be provided on a regular basis so that, between the time the family is called in for an eligibility interview and offered a PH unit, the family will have attended the inspection training. Participant families will be provided the opportunity to attend training at regular property meetings on or near their units (at larger FCRHA PH properties that can accommodate larger groups). Additionally, the agency through its quarterly property meetings with residents will begin using some of these sessions to train them on the requirements of UPCS inspections.

PH participants who meet the following criteria will be given a rebate of their rent or TTP for the last month of their current lease:

1. The family has attended UPCS training;
2. The family has a record of passing its most recent inspection and has received a good housekeeping certification; and
3. No serious complaints have been reported by third parties (a serious complaint is defined as one that would cause the unit to fail UPCS by the fault of the PH tenant).

A financial analysis will be conducted to determine the annual cost of this incentive based on available operating reserves. Participants that have a unit that fails UPCS through their fault will have their unit inspected a second time within the year by the property manager to ensure compliance with UPCS.
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B. **MTW Statutory Objective:** This addresses the MTW statutory objective to reduce costs and achieve greater cost effectiveness in Federal expenditures.

C. **Anticipated Impacts:** The following long-term impacts are anticipated:

1. This policy is projected to generate staff time savings by conducting biennial inspections of all public housing units.
2. PH participants will be better informed as to the requirements for maintaining their units to meet good housekeeping standards. It is also anticipated that there will be a reduction in the unit turnover costs as there may be fewer damages in the unit at turnover time.
3. This will allow time to be redirected to efforts at the most at-risk units.
4. Cost savings by reducing damage and turnover costs and shifting more responsibility to residents are anticipated to be adequate to cover the costs of providing rent reduction rewards for those who maintain their units in good condition. Units that fail UPCS will be inspected bi-annually.

D. **Baselines, Benchmarks, Outcome Metrics, Anticipated Schedules:**

Outcome Metric	Baseline	Benchmark
Number of applicant/participant families attending UPCS/housekeeping training	Current applicant / participant families are not required to attend UPCS/housekeeping training. Baseline is zero.	Number of families attending UPCS/housekeeping training will increase by 10%.
Number of units receiving an award for good housekeeping during their annual inspection	Currently units do not receive good housekeeping evaluation. Baseline is zero.	Increase in the number of families receiving an excellent rating on their inspection by 10%.
Number of units failing their annual inspection	Number of units that failed their annual inspection in 2013	Corresponding decrease in the number of units failing inspections by 10%.

Outcome Metric	Baseline	Benchmark
Number of families requiring follow up meeting with property managers or 21-30 day notices of lease non-compliance for failure to maintain unit appropriately	Number of families requiring follow up meeting with property managers or 21-30 day notices of lease non-compliance for failure to maintain unit appropriately in 2013	Decrease in the number of 21-30 day notices for lease non-compliance due to poor housekeeping.
Average cost of unit turnaround	Average cost of unit turnaround in 2013	Average unit turnaround cost will decrease by 5%. It is anticipated that the savings from unit turnaround costs and inspection reductions will cover the cost of providing rent rebates for exceptional housekeeping.

Anticipated Schedule: The proposed implementation of the changes to streamline inspections for PH residents will begin July 1, 2013.

E. **Data Collection Process and Proposed Metrics:** The FCRHA will pull the data needed from its data base. To evaluate the success of this activity, the FCRHA will track the number of inspections conducted and the number of failed and excellent inspection ratings. Metrics for the above baseline measures will be collected every year after the activity is implemented.

F. **Authorization Cited:**

- Section C.9(b) of Attachment C of the Amended and Restated MTW Agreement;

G. **Rent Reform Information:** Not applicable

2014-5 Proposed MTW Activity—Institute a Work Requirement for All Non-Exempt Families in Public Housing and Housing Choice Voucher Programs

Connecting to THRIVE – Along with its "people not paperwork" focus, 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. In order to achieve the next level of self-sufficiency and move to the next step of the Housing Continuum, families that are able to work must be engaging in some type of self-sufficiency activity. Families will need to be working, looking for work, in school, in a job training program, etc., if they are to have a reasonable chance to move through the Housing Continuum. Fortunately the FCRHA is not starting from scratch on this effort, as it already has long-standing relationships with job trainers and providers, like the Northern Virginia Workforce Investment Board and the Northern Virginia Community College. This activity will be further supported by the "paperwork relief" achieved through other activities (less frequent reexaminations, more streamlined inspections, etc.) in the FCRHA's MTW Plan.

A. **MTW Initiative Description:** When selecting applicants from the Public Housing and Housing Choice Voucher waiting lists, the FCRHA offers a **Working** preference to any family whose head, spouse, or sole member meets **at least one** of the following:

1. Employed, attending school or participating in a job training program at least 30 hours per week OR is in a combination of these at least 30 hours per week;
2. 62 years or older;
3. Meets the HUD definition of being disabled or handicapped;
4. Is the only adult in the household, is working less than 30 hours per week, and is the primary caretaker of a disabled dependent.

Families often gain employment in order to meet the preference but have no incentive to retain employment once on the subsidy. Because HUD does not require households to maintain employment once admitted the preference does not necessarily result in long-term self-sufficiency. While the Public Housing community service requirement for unemployed adults may motivate family members to sustain employment, it does not have the full impact of a work requirement. The FCRHA is proposing to require that families who met the working preference for admission continue working 30 hours a week once on the program.

Every adult family member will be expected to work if the member is not:

1. 62 years or older;
2. Disabled or handicapped according to the Social Security definition;
3. The only adult in the household and the primary caretaker of a disabled dependent; or
4. A full-time student (Note: A student's exclusion from the working requirement will be capped after four years)

For initial implementation, adult family members that are able to work (not excluded by the above criteria) and are not currently working 30 hours per week, will have six months to gain employment (defined as 30 hours of work per week). If after six months the member is not yet employed, they will be expected to work with The SkillSource Group, Inc. (SkillSource) for no more than an additional six months to gain employment.

SkillSource is the non-profit entity of the Northern Virginia Workforce Investment Board. SkillSource has the mission to:

- Prepare youth for today and tomorrow's workforce;
- Find ways to accommodate adults with disabilities in the workplace;
- Help new Americans find their way to meaningful employment as they work through cultural and language challenges;
- Identify available financial resources to assist in re-training and skill development opportunities; and
- Keep families strong through the self-esteem of a livable wage that will support families and enable participation in society.

The FCRHA already has a Memorandum of Agreement in place with SkillSource to identify opportunities for Public Housing residents and other low- and very low-income persons in Fairfax County. Through this agreement, SkillSource will:

- Assess clients and recommend job readiness/job training/job apprenticeship opportunities;
- Assist clients eligible for Workforce Investment Act training funds with identifying potential funding for these training services;
- Assist the FCRHA to set up a pre-apprentice program for large construction contracts utilizing FCRHA funds;
- Post job opportunities of contractors/subcontractors utilizing HUD funds at SkillSource centers; and
- Notify Section 3 qualified individuals of job opportunities with contractors/subcontractors required to meet Section 3 goals.

After this 12-month grace period, the minimum rent for the family will adjust to a rent based on a minimum wage income. The new minimum rent will be set according to the number of non-exempt family members that are able to work. The FCRHA will propose the change to the minimum rent as a new Activity in its FY 2015 MTW Plan.

B. **MTW Statutory Objective:** This addresses the MTW statutory objective to reduce costs and achieve greater cost effectiveness in Federal expenditures and to assist families achieve economic self-sufficiency. In encouraging education and job training skills, it is expected that family income will rise over time.

C. **Anticipated Impacts:** The following long-term impacts are anticipated from this policy change:

1. An increase in family income, savings, tenant payments to landlords (and a resulting decrease in HCV HAP) and an increase in Public Housing rent and revenues. There may also be a positive impact on the community and neighbors.
2. An increase in the number of families with earned income.
3. An improvement in families' average scores for Income, Credit, Employment, and Education indicators from the self-sufficiency matrix in HMIS.
4. The overall number of assisted households remains stable, but households that do not comply will pay a higher minimum rent.

There may be a temporary reduction in adjusted family income as families opt for education and job training initially with a goal to increase job skills and, consequently, income in the long-term.

D. **Baselines, Benchmarks, Outcome Metrics, Anticipated Schedules:**

Outcome Metric	Baseline	Benchmark
Number of families with earned income	Number of families with earned income in 2013	Number of families with earned income will increase by 10%.
Average adjusted family income	The average adjusted annual income of HCV families at their 2011 annual reexaminations was $16,314 and in the Public Housing (PH) program, the average adjusted annual income of families at their 2011 annual reexaminations was $18,770.	Average adjusted family income will increase by 10%.
Average household savings	Average savings account balance by	Average savings account balance will increase by 3%.

Outcome Metric	Baseline	Benchmark
	family in 2013.	
Average HCV Total Tenant Payment (TTP)	The average rent/TTP payment for HCV families at their 2011 annual reexaminations was $411 per month.	Average TTP/rent will increase by 10%. A proportion of this increase will be dedicated to a savings account, depending on the family's participation in the FCRHA's Rent Reform Controlled Study (see Activity 2013-6).
Number of "work able" households that lose assistance	The number of "work able" households currently assisted in PH and HCV in 2013	Number of "work able" households that lose assistance will increase; the overall number of assisted households will remain stable.
Values on the Self-Sufficiency matrix (see below) established by the Fairfax County Office to Prevent and End Homelessness on the following indicators - Credit - Income - Employment - Shelter - Education - Family Relations	Baseline measures of families' position along the self-sufficiency matrix will be determined in year one	Families and individuals will make progress towards self-sufficiency as measured by indicators included in the Self-Sufficiency matrix.

Anticipated Schedule: The proposed implementation of the activity to institute a work requirement for all non-exempt families in PH and HCV will begin July 1, 2013.

E. **Data Collection Process and Proposed Metrics:** A new sampling will be taken by the Program Director or designee to determine the new average income for MTW families. A financial report will be established to evaluate rental revenue and HAP impact.

F. **Authorization Cited:**

- Section C.11 of Attachment C of the Amended and Restated MTW Agreement, Rent Policies and Term Limits.
- Section E of Attachment C of the Amended and Restated MTW Agreement, Authorization Related to Family Self Sufficiency.

G. **Rent Reform Information:** Not applicable

2014-6 Proposed MTW Activity – Design and Initiate a Rent Reform Controlled Study

Connecting to THRIVE – Section 3 of Notice PIH-2012-16 requires that MTW applicants design and implement an alternate rent strategy. The FCRHA meets this requirement through Activity 6 and has designed an approach, in collaboration with George Mason University, that ties in to the THRIVE model and meets random assignment process research standards. The FCRHA's alternate rent strategy, described in detail below, will afford families an opportunity to pay less than 30% of their income in rent, build a savings account, and experience rent increases that are predictable and manageable. Coupled with more access to FCRHA staff and other county and nonprofit self-sufficiency resources, the FCRHA believes this strategy will more effectively support self-sufficiency than HUD's current rent calculation. Additionally, the FCRHA's partnership with two centers at George Mason University – the Center for Regional Analysis and the Center for Social Science Research – will ensure the FCRHA can implement this study while maintaining the agency's financial solvency, serving the same number of families, and accurately evaluating the impact of the rent reform efforts.

A. **MTW Initiative Description:** Within two years of its designation as an MTW agency, the FCRHA—in cooperation with George Mason University—will design and begin implementation of an alternate rent strategy for households in the Housing Continuum. The objective of the modified rent calculation is to provide incentives for working families and to provide opportunities for increased savings and movement towards self-sufficiency. A rigorous experimental evaluation of the FCRHA's alternate rent strategy can provide clear-cut evidence of the effectiveness of such modifications which could benefit other PHAs on a national scale.

   The FCRHA will re-propose this Activity as an amended Activity once it develops the specifics of the rent strategy.

   The statute requiring Housing Choice Voucher and Public Housing families to pay 30% of their adjusted income is well-established and understood; however, the FCRHA has found that it can create a disincentive for achieving self-sufficiency. The FCRHA has attempted to mitigate this disincentive by excluding certain types of increases in income from a required interim reexamination. Nevertheless, a pervasive sense remains among participants that there is a penalty in the form of increased rent, if they increase their income.

   The FCRHA has developed an alternate rent strategy for incentivizing families to increase their income and savings through:

   1. A simplified approach to calculating a family's adjusted income by (1) continuing to exclude income directly related to achieving self-sufficiency, such as income from training programs and student financial assistance, and (2) utilizing a "self-sufficiency" deduction based on family composition to replace all existing deductions. This self-sufficiency deduction will be based on costs associated with

working while raising a family in Fairfax County, including child care expenses, transportation costs, health insurance expenses, and taxes;

2. Conducting income reexaminations every two years so families can take advantage of income increases without a resulting rent increase (included as part of year 1 activity 1);
3. A reduction in the family's share of rent (less than 30% of adjusted income) during the first two years of participation in the controlled study, with incremental increases in the family share every two years thereafter;
4. Investment of a proportion of the family share in an escrow savings account that can be accessed as families achieve self-sufficiency goals in their Individual Development Plans (IDPs); and investment of a proportion of the family share appropriated for the cost of self-sufficiency services such as debt management classes, credit counseling, and job training provided by Fairfax County nonprofit partners.

The FCRHA will partner with George Mason University (GMU) to develop specific components of the rent reform policy and to design and conduct a rigorous, random assignment evaluation of the program. This partnership with GMU builds on a long-standing relationship with the institution and will ensure that any positive results the FCRHA observes among its participants can be directly attributable to the policy changes. As a result, the FCRHA can be part of the effort to improve efficiency and outcomes for families in other communities across the country.

Self-sufficiency deduction: As part of the rent reform program, the FCRHA will develop a simplified approach to calculating families' adjusted income which will include applying a self-sufficiency deduction to families' countable income. In the first year after receiving the MTW designation, GMU will work with the FCRHA to develop the specific structure of the self-sufficiency deduction. A potential source for the self-sufficiency deduction is the local economic self-sufficiency standards developed by the Wider Opportunities for Women (WoW) organization and disseminated by the Center for Women's Welfare (http://www.selfsufficiencystandard.org/pubs.html.) The WoW self-sufficiency standard defines the amount of income needed by different family types to meet basic needs, including housing, food, health care, taxes, child care, and transportation. The WoW self-sufficiency standards have been developed for 40+ different family types (i.e. number of workers, presence and age of children) and for specific geographic areas.

GMU and the FCRHA will also review other self-sufficiency standards implemented as part of other state and local social assistance programs, including TANF and SNAP. These standards will be adjusted for inflation as necessary using the CPI-U. Thus, programmatic changes to income calculation as part of the FCRHA's rent reform will be based on sound research on self-sufficiency deductions that are specific to the family demographics and economic conditions of the local community.

Sensitivity analysis: The second component of the rent reform that will be established in the first year is the determination of the appropriate proportion of the family share that will be dedicated to rent, as well as the proportions that could be appropriated to savings and services. The ability for families to have an opportunity

to pay a somewhat lower share of their income towards rent, leaving an amount for savings and to put towards job training and financial management classes is an important component of the FCRHA's goal of promoting families' self-sufficiency. The specific shares allocated to rent, savings and self-sufficiency services will depend on an analysis of how those changes will affect the FCRHA's average Housing Assistance payments (HAP) in the Housing Choice Voucher program and the rental income that could be expected in the Public Housing program. The FCRHA will work with George Mason University's Public Policy Center for Regional Analysis to conduct a sensitivity analysis that balances the amounts needed by families to accumulate savings and pay for services, with the reduction in income the FCRHA could afford without reducing the number of families it can serve or jeopardizing the sustainability of its Public Housing properties.

For example, assuming families are able to pay 27% of their adjusted income towards rent (as calculated using the revised methodology), with 2% deposited in a savings account and 1% allocated toward the costs of self-sufficiency activities, GMU and the FCRHA will determine the effect on total rental income. This determination will be repeated for difference scenarios that involve different shares of families' incomes allocated toward rent, savings and self-sufficiency activities. This sensitivity analysis will provide the information that will be needed to form that basis of the policy change to ensure that the FCRHA is able to continue to meet the needs of its HCV and PH residents and partners.

Controlled experiment: Within two years of receiving the MTW designation, the FCRHA will work with George Mason University to develop and begin implementing a controlled experiment of the proposed rent reform. Several constraints need to be considered in the design of a controlled experiment to evaluate the impact of the rent reform efforts. These issues include the timeframe over which impacts will be measured, the target population of interest, the process of assigning participants to treatment and control groups to minimize selection bias, the timeframe over which new entrants will enter the study, and the potential for expanding the reform efforts to families outside of the study if short term benefits are observed. The GMU evaluation team has begun developing an innovative controlled experimental design that takes these issues into account.

In year one, a set of pilot participants will be randomly selected shortly after the FCRHA receives the MTW designation. Data collection and analysis based on this group of pilot participants will focus on learning how best to collect data from families living in Public Housing and receiving housing vouchers and issues of data quality, particularly issues that may lead individuals not to participate in the study or to be reluctant to provide certain types of data.

In year two and beyond, new entrants to the County's HCV and PH programs will enter the study through either the County's Bridging Affordability program or through customary waitlists. New participants will then be assigned to either treatment or control group.

B. **MTW Statutory Objective:** This addresses the MTW statutory objective to reduce costs and achieve greater cost effectiveness in Federal expenditures and to assist

families achieve economic self-sufficiency. This activity also meets the requirement in Section 3 of the Request for Applications under the MTW for a Rent Reform Control Study.

C. **Anticipated Impacts:** The FCRHA anticipates that this alternate rent strategy will have several impacts:

1. Rent will be reduced in the first two years of the family's participation.
2. Families will build a savings "nest egg" that they can access as they achieve self-sufficiency goals.
3. Continued and increase participation in self-sufficiency services provided by nonprofit partners.
4. Families will show improvement on self-sufficiency measures, including indicators related to income, employment, family relations, credit worthiness, and education.

D. **Baselines, Benchmarks, Outcome Metrics, Anticipated Schedules:**

Outcome Metric	Baseline	Benchmark
Define appropriate self-sufficiency deduction	The FCRHA currently does not use a standard self-sufficiency deduction in its human services programs. Self-sufficiency standards have been developed by other local organizations.	Final and documented self-sufficiency deduction by household type
Determine appropriate share of family income for rent, savings and services	The FCRHA is aware that reducing the proportion of families' income that goes towards rent has implications for its programs and understands the need for a sensitivity analysis to determine the appropriate proportions to ensure the sustainability of the FCRHA's Public Housing properties and the number of families that can be assisted in the HCV program.	Combinations of proportions of incomes for rent, savings, and services that result in sustainability of the FCRHA's housing programs
Implement pilot study (see below)	Not implemented	Pilot study implemented and data collection processes finalized
Begin implementation of controlled experiment (see	Not implemented	Participants drawn into treatment and control groups and data collected

Outcome Metric	Baseline	Benchmark
below)		
Level of rent payments	Will be determined	Rent payments will be lower for treatment groups compared to control groups
Level of savings	Will be determined	Level and rate of savings will be higher for treatment groups compared to control groups
Number of families enrolled in FSS and other self-sufficiency programs	Will be determined	A greater proportion of families in the treatments groups will participate in self-sufficiency programs compared to control groups
Values on the Self-Sufficiency matrix (see below) established by the Fairfax County Office to Prevent and End Homelessness on the following indicators - Credit - Income - Employment - Shelter - Education - Family Relations	Will be determined	Families in the treatment groups will experience faster movement along the self-sufficiency matrix compared to families in the control groups.

Anticipated Schedule: The determination of the self-sufficiency standard and the sensitivity analysis to determine the proportion (and changes) in income for rent, savings and services will be conducted in year one. The pilot study will also be implemented in year one and will inform the implementation of the full controlled experiment which will begin in year two.

E. **Data Collection Process and Proposed Metrics**: The proposed metrics have been described in section D above. The FCRHA will collect data on participants in the treatment and control groups through existing systems (including the HUD Homeless Management Information System (HMIS) that tracks participants' progress with a Self-Sufficiency matrix and the FCRHA database management system (Yardi) which is currently used for calculating and managing rent payments). As part of the rent reform evaluation, the FCRHA will work with other County agencies to collect data on all HCV and PH families and individuals participating in the controlled experiment through HMIS.

F. **Authorization Cited:** Section C.11 and D.2 of Attachment C of the Amended and Restated MTW Agreement.

G. **Rent Reform Initiative Information**:

1. **Agency's Board approval of policy:** The FCRHA's approval of this MTW initiative is included in the FCRHA's resolution adopting the MTW application and First Annual MTW Plan.
2. **Impact Analysis:** A description of the rent reform control study, its anticipated impacts, and the type of metrics that will be used to assess the impacts of this reform can be found above. It is estimated that the rent reform study will include 600 participants, with 300 being subject to the rent reform policy changes. The FCRHA and GMU will develop methods for evaluating the impacts on program participants in the first two years after receiving the MTW designation. The FCRHA will collect the baseline metrics immediately prior to beginning the controlled study. Although, the FCRHA does not anticipate that its rent reform control study will disproportionately affect households in any specific demographic group, the FCRHA will include in its baseline and benchmark metrics, specific measures to capture changes in wages, family share, level of savings and progress toward self-sufficiency and these metrics will be broken out by race, ethnicity, gender, age and disability.
3. **Annual Reevaluation of Rent Reform Initiative:** Impacts of the rent reform will be evaluated annually.
4. **Hardship Case Criteria:** No hardship case criteria would be needed for this activity in year one of implementation. The FCRHA will develop hardship criteria based on the specifics of its alternate rent strategy, which will be designed in the first year of the FCRHA's MTW designation.
5. **Transition Period:** The FCRHA's rent reform controlled study will be designed in the first 12 months of its MTW designation, and will be implemented in the first 24 months of the designation.
6. **Documentation of Public Hearing:** See Section D. Evidence of Community Support and Involvement, which includes the documentation of the public hearing and related consultations that occurred in connection with the MTW application and First Annual MTW Plan.

2014-7 Proposed MTW Activity – Convert Scattered-Site Public Housing Units to Project-Based Section 8 Assistance

Connecting to THRIVE – Along with other activities that produce cost efficiencies for the FCRHA, converting its scattered-site Public Housing units to project-based Section 8 assistance will result in significant savings. Families in those units will also have more mobility options because they will have access to a tenant-based voucher after a certain period of time. This additional mobility ties in with the THRIVE Housing Continuum, which is based on providing the most flexibility possible for families to move to different steps.

A. **MTW Initiative Description:** The FCRHA owns and operates 209 Public Housing units that are considered "scattered" or within properties not wholly-owned by the FCRHA. Generally these are townhouse units that operate within homeownership association covenants. In the first year of its MTW designation, the FCRHA is considering a plan to dispose of these units to an FCRHA-affiliated entity and convert them to project-based Section 8 assistance to allow for more efficient management of those units and create the possibility of designating them for occupancy by special populations like the elderly or persons with disabilities. The FCRHA requests MTW flexibility to project base these Public Housing units without a local competitive process and exceed the percentage of housing voucher assistance that it is permitted to project-base.

B. **MTW Statutory Objective:** This addresses the MTW statutory objective to reduce costs and achieve greater cost effectiveness in Federal expenditures and to increase housing choice for eligible low-income families.

C. **Anticipated Impacts:** The FCRHA believes converting these units will have several benefits, including:

- More cost-effective and efficient management of these scattered units;
- A requirement of Housing Quality Standards (HQS) inspections for those units, consistent with the over 3,000 Housing Choice Vouchers that the FCRHA manages;
- More housing choice for residents as they will have access to a tenant-based voucher after a certain period of time; and
- More housing resources potentially dedicated to special population groups such as the elderly or persons with disabilities.

D. **Baselines, Benchmarks, Outcome Metrics, Anticipated Schedules:**

Outcome Metric	Baseline	Benchmark
Number of Public Housing units that will receive housing subsidy up to Fair Market Rent	None of the FCRHA's Public Housing units receive Section 8 assistance. Baseline is zero.	Up to 209 scattered-site Public Housing units will receive housing subsidy up to Fair Market Rent.
Number of families	Currently families in	Up to 209 families will have access to

Outcome Metric	Baseline	Benchmark
that access tenant-based vouchers.	these Public Housing units do not have access to a tenant-based voucher. Baseline is zero.	tenant-based vouchers as they become available.

Anticipated Schedule: The proposed activity to convert scattered-site PH units to project-based Section 8 assistance will begin in 2013, contingent upon approval by the FCRHA and HUD of the disposition of these units.

E. **Data Collection Process and Proposed Metrics**: The FCRHA will be able to collect all of the data to measure this activity from its financial statements and management reports. To evaluate the success of this activity, the FCRHA will track the average subsidy provided for each of these units in comparison to average Public Housing operating subsidy per unit per month, and the number of families that access a tenant-based voucher as these vouchers become available. Metrics for the above baseline measures will be collected every year after the activity is implemented.

F. **Authorization Cited**: Sections D.1(e) and D.7(a) of Attachment C, of the Amended and Restated MTW Agreement.

G. **Rent Reform Initiative Information**: Not applicable.

2014-8 Proposed MTW Activity – Allow Implementation of Reduced Payment Standards at Next Annual Re-examination

Connecting to THRIVE *– Along with other activities that produce cost efficiencies for the FCRHA, implementing reduced Housing Choice Voucher payment standards at the first annual re-examination rather than the second annual re-exam will result in significant savings. Families could elect to take on the additional burden above the payment standard if landlords do not elect to reduce the rent amount. Or, they could use the mobility feature of the voucher to move to a more affordable unit in line with their self-sufficiency goals.*

A. ***MTW Initiative Description:*** *The FCRHA administers over 3500 Housing Choice Vouchers. Fairfax County has one of the highest costs of housing in the Country. In October 2013, HUD made effective lower payment standards for the area than previously approved by the FCRHA. The FCRHA requests MTW flexibility to begin implementing the reduced payment standards at the families first annual re-examination rather than the second re-examination as currently allowed by statute.*

B. ***MTW Statutory Objective:*** *This addresses the MTW statutory objective to reduce costs and achieve greater cost effectiveness in Federal expenditures.*

C. ***Anticipated Impacts:*** *The FCRHA believes implementing this change will reduce program costs and allow more families to be served on the program within available program funding.*

D. ***Baselines, Benchmarks, Outcome Metrics, Anticipated Schedules:***

Outcome Metric	***Baseline***	***Benchmark***
Number of Housing Choice Voucher (HCV) families served on the program	*Number of families on the program before implementation of the activity.*	*Voucher utilization rate before implementation of the program and De-concentration of poverty rates.*
HCV Lease up success rate, i.e. the percent of families able to lease in the area	*FCRHA will use its most recent fiscal year success rate for program participants at the outset of this activity*	*Lease up success rate for non-MTW agencies in the area.*

Anticipated Schedule: The proposed activity will begin in 2014 contingent on HUD approval.

E. ***Data Collection Process and Proposed Metrics****: The FCRHA will be able to collect all of the data to measure this activity from its management reports. To evaluate the success of this activity, the FCRHA will track voucher utilization rates*

and poverty de-concentration. Metrics for the above baseline measures will be collected prior to implementation and every year after the activity is implemented.

F. ***Authorization Cited****: Section D.2(a) of Attachment C, of the Amended and Restated MTW Agreement.*

G. ***Rent Reform Information:***

a. ***Agency's Board approval of policy:*** *The FCRHA's approval of this MTW initiative is included as part of the FCRHA's resolution adopting this MTW activity as part of the amended First Annual MTW Plan.*
b. ***Impact Analysis:*** *This activity could provide significant savings over the balance of Fiscal Year 2014, and would position the program to save approximately $675,000 over the course of Fiscal Year 2015. Although families may pay more in rent if the gross rent for the unit exceeds the new payment standard and the owner elects not to reduce the rent, the overall impact for families in the HCV program if the Activity is not implemented is anticipated to be more damaging. It is estimated that as many as 50 families may be terminated from the program in Fiscal Year 2015 if this Activity is not implemented. The FCRHA will collect the baseline metrics immediately prior to beginning of the activity. The FCRHA will track the intended impact of this Activity – less terminations and more leasing to new families as a result of the cost savings; as well as the possible unintended impacts – that families may spend more time looking for an affordable unit, that they may be less able to build a nest egg, and that they may be less likely to become self-sufficient and move through the THRIVE Housing Continuum. Although, the FCRHA does not anticipate that this activity will disproportionately affect households in any specific demographic group, the FCRHA will include specific demographics by race, ethnicity, disability status, and elderly status in its baseline and benchmark metrics.*
c. ***Annual Reevaluation of Rent Reform Initiative:*** *Impacts of the activity will be evaluated annually.*
d. ***Hardship Case Criteria:*** *The FCRHA will utilize its current authorization to implement exception payment standards for persons with disabilities that request it and demonstrate the need. The FCRHA may revise its payment standards based on the results of this activity or any significant decrease in lease up success rates.*
e. ***Transition Period:*** *The FCRHA plans to implement this activity in its first year of designation as an MTW agency by HUD.*
f. ***Documentation of Public Hearing:*** *See Section D below. Evidence of Community Support and Involvement, which includes the documentation of the public hearing and related consultations that occurred in connection with the MTW application and First Annual MTW Plan. In addition, documentation of a public hearing and related consultations that occurred in connection with this activity, as an amendment to the First Annual MTW Plan, will be provided as part of the amended plan upon completion of the*

public comment period on January 14, 2014, and the public hearing on January 20, 2014.

2014-9 Proposed MTW Activity – 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

Connecting to THRIVE *– Along with other cost saving activities 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% to 35%, will allow the FCRHA to counteract the financial impacts of federal sequestration. This reform, recommended by the THRIVE Advisory Committee, will also help prevent the unnecessary terminations of Public Housing and Housing Choice Voucher program participants which are anticipated to be required as a result of insufficient federal funding.*

A. ***MTW Initiative Description:*** *In the Housing Choice Voucher and Public Housing programs, the amount that a participant family pays for rent and utilities (the family share) is based on the highest of the following amounts:*

- *30 percent of the family's monthly adjusted income*
- *10 percent of the family's monthly gross income*
- *A minimum rent of $50*

The majority of program participants have their rent calculated based on 30 percent of their monthly adjusted income. It is estimated that increasing the 30 percent of adjusted income to 35 percent of adjusted income, in combination with other cost-savings measures developed by the FCRHA, would avoid the termination of several hundred families in the HCV program that will be likely under federal sequestration. This increase is also projected to be sufficient to close the operating subsidy shortfall in the Public Housing program.

The increase from 30 percent to 35 percent would apply to all families in both programs, with the exception of families on a fixed income of only Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI), 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.

B. ***MTW Statutory Objective:*** *This addresses the MTW statutory objective to reduce costs and achieve greater cost effectiveness in Federal expenditures.*

C. ***Anticipated Impacts:*** *The FCRHA anticipates that implementing this change will achieve a HAP savings of approximately $2.6 million in FY 2015 and will increase each eligible household's portion of the rent, on average, by $69 per month in the HCV program and $75 per month in the Public Housing program.*

D. ***Baselines, Benchmarks, Outcome Metrics, Anticipated Schedules:***

Outcome Metric	***Baseline***	***Benchmark***
Annual Housing Assistance Payments Paid	*Total projected annual HAP of $48,119,992 as of the start of FY 2015.*	*Total projected annual HAP of $45,511,881 in FY 2015 as a result of the increase to the family share.*
Tenant payment increase in the HCV program	*$0*	*An average increase of $69 per month for those families not exempted from the policy.*
Tenant payment increase in the Public Housing program	*$0*	*An average increase of $75 per month for those families not exempted from the policy.*

Anticipated Schedule: The proposed activity will begin in 2014 contingent on HUD approval.

E. ***Data Collection Process and Proposed Metrics****: The FCRHA will be able to collect all of the data to measure this activity from its management reports. To evaluate the success of this activity, the FCRHA will track its annual HAP expenses.*

F. ***Authorization Cited****: Sections C.11 and D.2(a) of Attachment C, of the Amended and Restated MTW Agreement.*

G. ***Rent Reform Information:***

a. ***Agency's Board approval of policy:*** *The FCRHA's approval of this MTW initiative is included as part of the FCRHA's resolution adopting this MTW activity as part of the amended First Annual MTW Plan.*
b. ***Impact Analysis:*** *This activity is expected to result in a HAP savings of approximately $2.6 million in Fiscal Year 2015 and close the anticipated operating shortfall in the Public Housing program, and is necessary to prevent hundreds of terminations that would be required under federal sequestration funding levels. Given that the increase in the family share will be particularly difficult for elderly and disabled families on fixed incomes, the FCRHA will exempt these families from the increase, along with participants in the HCV VASH program. Exempted families will continue to pay a family share in accordance with HUD requirements. The FCRHA will track the intended impact of this Activity – significant savings in both federal programs and less terminations than would be required without this policy change – and will monitor the average increase per family in both programs. The FCRHA anticipates that this activity would disproportionately affect elderly and disabled households and thus exempted those families if they are on a fixed income of only SSI or SSDI; the FCRHA does not anticipate this policy will disproportionally affect families in other demographic groups.*
c. ***Annual Reevaluation of Rent Reform Initiative:*** *Impacts of the activity will be evaluated annually.*

d. ***Hardship Case Criteria:*** *The FCRHA has considered the hardship this policy will impose on families whose incomes are fixed, and will exempt all elderly or disabled households on a fixed income of only SSI and/or SSDI.*
e. ***Transition Period:*** *The FCRHA plans to implement this activity for all eligible households as of July 1, 2014, subject to HUD approval of the Activity.*
f. ***Documentation of Public Hearing:*** *See Section D below. Evidence of Community Support and Involvement, which includes the documentation of the public hearing and related consultations that occurred in connection with the MTW application and First Annual MTW Plan. In addition, documentation of a public hearing and related consultations that occurred in connection with this activity, as an amendment to the First Annual MTW Plan, will be provided as part of the amended plan upon completion of the public comment period on January 14, 2014, and the public hearing on January 30, 2014.*

VI. Ongoing MTW Activities: HUD approval previously granted

Not applicable

VII. Sources and Uses of Funding

A. List planned sources (Operating, Capital, HCD) and uses of MTW funds

Planned sources (Operating, Capital, HCV) and uses of MTW funds			
SOURCES			
Operating Subsidy	$	2,691,388	
Capital Fund Program	$	2,106,807	
Housing Choice Vouchers			
Housing Assistance Payments	$	36,349,429	
Administrative Funding	$	2,888,975	
Portability Program Recovered Costs & Fees	$	4,329,524	
Miscellaneous Revenue - Fraud, Investment	$	51,932	
TOTAL	**$**	**48,418,055**	*
USES			
Operating Subsidy	$	2,691,388	
Capital Improvements	$	1,660,096	
Operations	$	208,788	
Administrative Expense	$	237,923	
Housing Choice Vouchers			
Housing Assistance Payments	$	36,349,429	
Portability HAP	$	4,120,730	
Administrative Funding - Personnel	$	2,606,683	
Administrative Funding - Operating	$	544,115	
TOTAL	**$**	**48,419,152**	*

Planned sources and uses of HCV Non - MTW funds **			
SOURCES			
Housing Choice Vouchers			
Housing Assistance Payments	$	6,688,019	
Administrative Funding	$	531,549	
Portability Program Recovered Costs & Fees	$	-	
Miscellaneous Revenue - Fraud, Investment	$	9,555	
TOTAL	**$**	**7,229,123**	*
USES			
Housing Choice Vouchers			
Housing Assistance Payments	$	6,688,019	
Portability HAP	$	-	
Administrative Funding - Personnel	$	479,610	
Administrative Funding - Operating	$	100,113	
TOTAL	**$**	**7,267,742**	*

* HCV HAP Reserve balances become additional source of funding as required.

** Non-MTW includes: NEDS/Mainstream, Homeownership, FUP (pre 2008), FUP (FY08/09), Tenant Protection, and VASH

B. List planned sources and uses of State or local funds;

In addition to the federal Housing Choice Voucher and Public Housing programs, the FCRHA receives an annual allocation of local funding to operate Fairfax County's Bridging Affordability program. The Fairfax County Rental Program is funded by a mix of federal and local funds. These funds will not be used for implementation of the FCRHA's MTW activities in the first year of its MTW designation.

C. If applicable, list planned sources and uses of the COCC;

Planned sources and uses of the COCC		
SOURCES		
Asset Management Fee Revenue	$	120,360
Property Management Fees	$	749,282
Bookkeeping Fees	$	88,969
Front-line Fees	$	83,014
Capital Grant Administrative Fees	$	237,923
TOTAL	**$**	**1,279,548**
USES		
Salaries and Benefits	$	654,219
Property Cost (Home office)	$	277,260
Dues and Fees	$	3,383
Expendable Equipment	$	8,910
Office Supplies	$	11,832
Phone	$	46,190
Postage and Printing	$	20,294
Staff Training	$	30,779
Maintenance Expense	$	33,182
Maintenance Vehicle Expense	$	8,060
Others	$	185,439
TOTAL	**$**	**1,279,548**

D. If using a cost allocation or fee-for-service approach that differs from 1937 Act requirements, describe the deviations and the reasons therefore; and

The FCRHA is not using a cost allocation system that differs from the 1937 Act requirements.

E. List or describe use of single-fund flexibility, if applicable, describe uses across traditional program lines or special circumstances in support of an MTW activity.

The flexibility offered by creating a pool of fungible resources using assistance under Section 8 (Housing Choice Voucher) and Section 9 (Public Housing), fits perfectly with the FCRHA's THRIVE Housing Continuum. These fungible resources will enable the FCRHA to more effectively tie its housing programs, both federal and county, together in a way that provides more choice for low-income families. Additionally, the cost efficiencies achieved through this approach will create opportunities for the FCRHA to fund priorities in Fairfax County's Housing Blueprint, which sets the county's affordable housing policy direction.

The Fairfax County Board of Supervisors adopted a **"Housing Blueprint"** in 2010 which established the county's affordable housing policy direction for FY 2011 and beyond. The Housing Blueprint reflects the philosophy of the Board that affordable housing is a continuum ranging from the needs of the homeless to first-time homebuyers. Included in this range are the diverse housing needs of hard-working, but low paid families; senior citizens; persons with physical or mental disabilities; and the workforce across Fairfax County. The goals and priority needs set forth in the Housing Blueprint were the product of input gathered through the process of bringing together County officials and staff, representatives from the non-profit community and for-profit development sector, and the citizens of Fairfax County. The consensus among the parties establishing the housing priorities for the next 10 years is that affordable housing priorities have changed and that the emphasis should shift to those with the greatest need. The housing goals established for the next 10 years in the Housing Blueprint are:

- To end homelessness in 10 years
- To provide affordable housing options to those with special needs
- To reduce the waiting lists for affordable housing by half in 10 years
- To produce workforce housing sufficient to accommodate projected job growth

Consistent with the Housing Blueprint, the philosophy driving the County's MTW Plan is that the FCRHA can best address the diverse needs of the community by pooling all resources at its disposal to fund priority needs. Combining funds into a block grant gives the county flexibility to dedicate resources where they are most desperately needed.

The FCRHA will work with George Mason University on evaluating the effects of the block grant. In its first year as an MTW agency, the FCRHA, together with its evaluation partner, George Mason University, will design a method to measure and evaluate those aspects of the MTW block grant that result in quantifiable outputs. Fairfax County will use block grant funds to more efficiently allocate resources to identified local housing priorities.
The evaluation will take into consideration both the efficiencies and the costs associated MTW flexibilities and, at minimum, will include:

- Linking programs in the Housing Continuum,
- Reducing frequency of recertification and interim re-examinations,
- Operating savings accounts,
- Providing self-sufficiency services, and
- Operating the FCRHA's rent reform controlled study

In 2013, the FCRHA will design the block grant evaluation and the evaluation of the block grant will be conducted in subsequent years. The County anticipates that the flexibility afforded the agency to combine funds in an MTW block grant will result in cost savings and administrative efficiencies that can be used to provide improved services to program participants.

F. List reserve balances at beginning of the Plan year.

Projected Cash and Reserve Balances Cash		
Public Housing Cash		
Operating Cash	$	6,448,140
FSS Escrow	$	286,724
Total	**$**	**6,734,864**
COCC		
Operating Cash	$	316,661
Total	**$**	**316,661**
Housing Choice Voucher		
Net Restricted Assets	$	4,379,931
Net Unrestricted Assets	$	2,287,497
FSS Escrow	$	332,714
Total	**$**	**7,000,142**

G. In Plan Appendix, provide planned sources and uses by AMP.

See Appendix C. Planned Sources and Uses by AMP

VIII. Administrative

A. Resolution signed by the Board of Commissioners adopting the Annual MTW Plan Certifications of Compliance

Adopted June 20, 2013

RESOLUTION NUMBER 28-13

Approval to Submit to the U.S. Department of Housing and Urban Development (HUD) the Fairfax County Redevelopment and Housing Authority (FCRHA) Updated Moving to Work (MTW) Plan for Fiscal Year 2014

BE IT RESOLVED THAT the Fairfax County Redevelopment and Housing Authority (FCRHA) adopts the updated Moving to Work (MTW) Plan for Fiscal Year 2014 as contained in the Action Item presented to the FCRHA at its meeting on June 20, 2013; authorizes submission of the updated Plan to the U.S. Department of Housing and Urban Development (HUD); and authorizes the FCRHA Chairman to sign all HUD-required certifications for the updated Plan.

I hereby certify that the foregoing is a true and accurate copy of Resolution No. 28-13 passed by the Fairfax County Redevelopment and Housing Authority on June 20, 2013, and that I remain an Assistant Secretary and Deputy Executive Director of the Fairfax County Redevelopment and Housing Authority.

JUNE 26 2013
Date

John Payne, Assistant Secretary, Fairfax County Redevelopment and Housing Authority

COMMONWEALTH OF VIRGINIA)
) To-wit:
COUNTY OF FAIRFAX)

The foregoing instrument was acknowledged before me by John Payne, an Assistant Secretary of the Fairfax County Redevelopment and Housing Authority, on behalf of the Fairfax County Redevelopment and Housing Authority this 26th day of June, 2013.

Minnie C. Johnson
Notary Public

My Commission expires: September 30, 2016.

Minnie C. Johnson
NOTARY PUBLIC
COMMONWEALTH OF VIRGINIA
NOTARY REGISTRATION NUMBER: 347458

Annual Moving to Work Plan

Certifications of Compliance

Certifications of Compliance with Regulations:
Board Resolution to Accompany the Annual Moving to Work Plan

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the PHA fiscal year beginning 7/1/2013, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the PHA and conducted a public hearing to discuss the Plan and invited public comment.
2. The Agency took into consideration public and resident comment before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan;
3. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and Title II of the Americans with Disabilities Act of 1990.
4. The PHA will affirmatively further fair housing by examining its programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
5. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
6. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
7. The PHA will comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
8. The PHA will comply with requirements with regard to a drug free workplace as required by 24 CFR Part 24, Subpart F.
9. The PHA will comply with requirements with regard to compliance with restrictions on lobbying as required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.
10. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24, as applicable.

11. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
12. The PHA will provide HUD or the responsible entity any documentation that the Department needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58.
13. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States 1937 Act and the Contract Work Hours and Safety Standards Act.
14. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
15. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
16. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments.).
17. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.
18. All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its Plan and will continue to be made available at least at the primary business office of the PHA.

FAIRFAX COUNTY REDEVELOPMENT & HOUSING AUTHORITY

PHA Name

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Elisabeth Lardner, FCRHA Chairman

Name of Authorized Official

Elisabeth Lardner

Signature

B. Description of any planned or ongoing Agency-directed evaluations of the demonstration, if applicable

Fairfax County is well-positioned to effectively monitor outcomes and rigorously evaluate impacts associated with the MTW activities described above. The evaluation efforts tied to this proposal will build on the existing literature and MTW experiences of other PHAs. The evaluation efforts will be strengthened through partnerships with evaluation and subject area specialists at George Mason University. In addition, the MTW evaluation efforts will build on and be coordinated with the Results –Based Accountability (RBA) framework currently being implemented throughout the Fairfax County human services system. RBA, based on the work of Mark Friedman in *Trying Hard Is Not Good Enough*, provides a common approach to measuring results. RBA starts by specifying clearly the ends or results targeted by a particular policy or program (e.g. specific conditions of well-being for children, adults, families and communities) and then critically assesses the links between what is being done (means) to what should be done (ends) in order to objectively measure whether or not desired outcomes have been achieved.

Fairfax County human services agencies have adopted the RBA framework to measure impact across the system, foster joint accountability, and collectively strengthen programs and services. Key components of RBA include measuring "how much" work is done; "how well" work is completed; and whether clients are "better off" as a result of efforts. The RBA framework enhances communications and helps the human services system understand where greater involvement is needed to improve client outcomes. In addition, RBA will help improve interactions with other Fairfax County agencies (e.g., the Economic Development Authority and Fairfax County Public Schools); other organizations that share in the delivery of human services, but do not necessarily receive County resources for those services; and organizations that provide in-kind resources in the delivery of human services.

From the RBA perspective, success in the provision of human services is related to targeting appropriate services to clients and moving clients towards self-sufficiency. In today's economic environment, fewer available resources require targeted and more efficient delivery of programs and services. In this framework, evaluation is not an end in itself, but a means to moving toward desired policy outcomes. RBA requires evaluation to determine the impact services are having on the clients, but just as importantly, it also requires a clear articulation of the intended outcomes of the services. Through coordination across the entire human services system, RBA seeks to maximize the County's overall return on investments.

Consistent with the proposed MTW Plan, the County's RBA framework will foster an evaluation perspective that will link proposed activities to the countywide human services system. For example, FCRHA's first year activities under MTW emphasize establishing a connection between the county's Bridging Affordability program and the other steps in the Housing Continuum. As part of this effort, the FCRHA will work

primarily on relieving staff and families from administrative burdens and identifying already-available service resources. Outcome measures associated with MTW activities, developed through the RBA approach, include determining whether families are able to save more of their income, access services they were eligible for but unaware of, or increase their level of education. The RBA approach is ideal for evaluating the block grant initiative for the MTW proposal. In years two through five, the RBA framework will then be used to evaluate the MTW activities within the context of the six results targeted by the County human services system as a whole:

1. Affordable housing
2. Healthy people
3. Connected Individuals
4. Positive living for older adults and individuals with disabilities
5. Economic self-sufficiency
6. Successful children and youth

To provide additional methodological expertise to the design, implementation and analysis of the County's evaluation of MTW activities, including the rent reform study and block grant study, the County will partner with two units at George Mason University, which has its main campus in Fairfax County, VA: The Center for Regional Analysis (CRA) and the Center for Social Science Research (CSSR).

Center for Regional Analysis, GMU School of Public Policy

The Center for Regional Analysis provides research and analytical services to local governments, non-profits and businesses in the Washington region focusing on economic, housing, demographic, transportation, and fiscal trends and forecasts.

The Center's staff conducts regular research on the performance of the Washington area economy, issues regular reports on the region's housing and demographic conditions, and participates in local meetings and conferences sponsored by governments, non-profit organizations, chambers of commerce and like organizations.

The Center for Regional Analysis has become the "go-to" organization for economic, demographic and housing data and analysis within the Washington and Baltimore regions and is cited locally and nationally as the source of information for the media, research scholars, and investors interested in understanding the Washington area's economy. The Center posts research reports, presentations, data and other information on its website (cra.gmu.edu.) This ready availability of research and analysis and the Center's location within George Mason University have made the Center for Regional Analysis the primary source of public information about the region.

CRA worked with Fairfax County in 2007 to develop a needs assessment for affordable/workforce housing in the County to 2030. CRA also helped the County develop a definition of "moderate income" for its housing programs. More recently, CRA has prepared forecasts of residential development in the County's emerging Metrorail station areas and produced County-level, employment-driven housing demand forecasts.

The CRA effort will be led by Professor Lisa Sturtevant, whose primary areas of research include housing, demographics, economic development, and residential mobility and migration.

The Center for Social Science Research, College of Humanities and Social Sciences

CSSR is a multidisciplinary research center within the College of Humanities and Social Sciences at GMU. Established in 1987 as the Northern Virginia Survey Research Laboratory, the center draws on faculty from various disciplines—sociology, anthropology, public policy, psychology, communication, and others—who bring their expertise to bear on some of the most pressing social, behavior, and political problems facing contemporary society. CSSR provides a platform that brings together social science theories and methods to conduct state-of-the-art research on important social problems and basic social science questions. Studies conducted by the center employ a range of quantitative and qualitative research methods including survey research, focus groups, interviews, analysis based on leading social indicators, and the exploration of virtual world environments.

CSSR works closely with local governments, schools, and non-profit organizations around the D.C. metro/northern Virginia area. CSSR specializes in collaborative research, more specifically in community based/participatory research, which cultivates a space that allows academics and stakeholders to work together towards common community goals and actively engages stakeholders in the entire research process.

CSSR's ongoing collaboration with a broad range of County organizations will serve the overall evaluation efforts by helping to coordinate the MTW evaluation effort with those of other elements of the County human service system. In addition, CSSR's experience with primary data collection using both quantitative and qualitative methods, within a community based/participatory research perspective, fits well with the RBA emphasis on getting "the story behind the numbers." The aim here is to understand the conditions and causes that set the stage for quantitative measures and do so in a manner that is accessible to the public at large.

The CSSR effort will be led by Professor James C. Witte, Director of CSSR. His primary areas of research include survey research, the development and use of Internet-based tools for social science research, and the impact of information and communication technologies on society and immigration.

Appendix A. Fairfax County Redevelopment and Housing Authority (FCRHA) Proposed Hardship Policy for MTW Activities

FCRHA's Hardship Policy addresses the following proposed MTW activities:

1. Rent Reform Initiatives, including increases in minimum rent; and
2. Reduction of Rent Reduction Requests to after first six months following initial occupancy and no more than once per calendar year thereafter.

1. Increases in Minimum Rent

The financial hardship exemption applies only to families required to pay the minimum rent. If a family's TTP is higher than the minimum rent, the family is not eligible for a hardship exemption. If the PHA determines that a hardship exists, the family share is the highest of the remaining components of the family's calculated TTP. A hardship will be considered to exist only if the loss of eligibility has an impact on the family's ability to pay the minimum rent.

In order to qualify for a hardship exemption, a family must meet at least one of the following criteria:

- The family would be evicted because it is unable to pay the minimum rent;
- Loss of employment due to reduction in work force or closure of the place of employment where employment income loss is not covered by severance pay or separation benefits; or
- A death has occurred in the family and the family must describe how the death has created a financial hardship (e.g., because of funeral-related expenses or the loss of the family member's income).

Families who meet the criteria listed above must submit their request in writing via mail, fax, or email to their FCRHA Housing Services Specialist, stating both the reason for the hardship and its expected duration. Requests will be considered on a case-by-case basis and weighed against other local resources available to the family.

Families granted a hardship exemption to the increase in minimum rent will continue to pay pre-reform minimum rent (subject to FCRHA or HUD changes) until their next re-examination of income, at which time the family will be subject to the rent reform initiative.

2. Elimination of Rent Reduction Requests for Six (6) Months Following Initial Occupancy and limit of one request every 12 month period.

In order to qualify for a hardship exemption, a family must experience a long-term loss of income (90 days or longer) due to circumstances beyond the family's control. Examples of such circumstances include:

- A medical condition that prevents an adult family member from working when loss of employment is not covered by paid medical benefits;
- Loss of employment due to reduction in work force or closure of the place of employment where employment income loss is not covered by severance pay or separation benefits; or
- Families that experience an increase in medical expenses, such that these expenses exceed 15% of gross income.

Families who meet the criteria listed above must submit their request in writing via mail, fax, or email to their FCRHA Housing Services Specialist, stating both the reason for the hardship and its expected duration. Requests will be considered on a case-by-case basis and weighed against other local resources available to the family.

Families granted a hardship exemption will be allowed to receive an interim income decrease following FCRHA's standard policies and procedures. No more than one such exemption will be granted to any given family during the six months following initial occupancy or more than once in a 12-month period thereafter.

Appendix B. Documentation of Public Hearing

The following Notice of Public Hearing was published in The Washington Times on May 9, 2012.

NOTICE OF PUBLIC HEARING
Thursday, May 30, 7 p.m.

The Fairfax County Redevelopment and Housing Authority (FCRHA) will conduct a public hearing on its draft "Moving to Work" Plan. The hearing is being conducted in compliance with United States Department of Housing and Urban Development requirements for public housing agencies applying for designation as a Moving to Work agency. The FCRHA meeting will be held at 4500 University Drive, Fairfax, VA at 7 p.m. on May 30. Interested residents are invited to share their views on the draft FCRHA Moving to Work Plan at the public hearing. The draft Plan is available for public review on the county website www.fairfaxcounty.gov/rha/mtw.htm and at the Fairfax County Department of Housing and Community Development, 3700 Pender Drive, Suite 300, Fairfax, VA, or by calling 703-246-5103. If you have any questions concerning the public hearing, please call 703-246-5103, TTY: 703-385-3578. Citizens wishing to comment on the draft Plan may do so via the MTW email address mtw@fairfaxcounty.gov or by writing to the attention of Vincent Rogers, Senior Program Manager, at the Department of Housing and Community Development, 3700 Pender Drive, Fairfax, Virginia 22030. **The deadline for receipt of written comments on the draft Plan will be 4 p.m. on Thursday, June 7, 2012.**

Fairfax County is committed to a policy of nondiscrimination in all county programs, services and activities and will provide reasonable accommodations upon request. To request special accommodations call 703-246-5101 or TTY 703-385-3578. Please allow 48 hours in advance of the event in order to make the necessary arrangements. Equal Housing/Equal Opportunity Employer

EQUAL HOUSING OPPORTUNITY

Run date: May 9, 2012 AD#14645111

Appendix C. Planned Sources and Uses by AMP

	VA019000001	VA019000002	VA019000003	VA019000004	VA019000005	VA019000006	VA019000007	VA019000008	VA019000009	VA019000010	VA019000011	VA019000012	VA019000099	Total
Net Tenant Rental Revenue	511,060	459,637	670,282	642,581	764,603	591,344	461,620	436,799	536,345			0	0	5,074,271
Tenant Revenue - Other	7,914	30,587	24,061	33,657	34,896	26,406	18,023	30,645	47,478					253,667
Total Tenant Revenue	**518,974**	**490,224**	**694,343**	**676,238**	**799,499**	**617,750**	**479,643**	**467,444**	**583,823**	**0**	**0**	**0**	**0**	**5,327,938**
HUD PHA Operating Grants	497,580	206,176	289,802	494,159	414,027	284,304	276,539	264,076	393,683	77,637	354,628			3,552,611
Capital Grants	320,657	29,658	36,108	61,602	632,382	43,575	134,063	16,999	130,223					1,405,267
Other Government Grants														0
Investment Income - Unrestricted	3,421	2,530	3,104	3,189	4,999	5,391	2,787	2,758	2,930					31,109
Other Revenue	3,320	1,151	2,461	16,633	4,580	11,737	9,033	11,139						60,054
Total Revenue	**1,343,952**	**729,739**	**1,025,818**	**1,251,821**	**1,855,487**	**962,757**	**902,065**	**762,416**	**1,110,659**	**77,637**	**354,628**	**0**	**0**	**10,376,979**
Administrative Salaries	58,818	5,718	(1,826)	78,043	30,133	25,995	(1,824)	19,977	34,026	9,826	1,324			260,210
Auditing Fees	6,002	4,439	5,448	5,600	8,777	5,448	4,893	4,843	5,145					50,595
Management Fee	179,054	65,365	81,687	201,046	130,440	98,413	72,226	82,243	76,731					987,205
Book-keeping Fee	10,546	7,786	9,646	9,818	15,435	9,540	8,595	8,542	9,061					88,969
Advertising and Marketing	31,093			27,583										58,676
Employee Benefit contributions - Administrative		1,577	198		12,387	8,159	612	7,387	12,408	3,207	440			46,375
Office Expenses	230			11		1,307								1,548
Legal Expense	3,113	3,358	3,964	989	2,209	29,336	1,844		5,357					50,170
Travel														0
Allocated Overhead														0
Other	(25,098)	13,613	32,628	23,674	26,505		14,391	7,389	6,614					99,716
Total Operating - Administrative	**263,758**	**101,856**	**131,745**	**346,764**	**225,886**	**178,198**	**100,737**	**130,381**	**149,342**	**13,033**	**1,764**	**0**	**0**	**1,643,464**
Asset Management Fee	14,280	10,560	12,960	13,320	20,880	12,960	11,640	11,520	12,240					120,360
Tenant Services - Salaries														0
Relocation Costs									6,501					6,501
Employee Benefit Contributions - Tenant Services														0
Tenant Services - Other	36,814	349	610		209	114	141		1,292					39,529
Total Tenant Services	**36,814**	**349**	**610**	**0**	**209**	**114**	**141**	**0**	**7,793**	**0**	**0**	**0**	**0**	**46,030**
Water	43,031	23,624	56,321	51,346	69,118	56,089	50,545	23,109	45,278					418,461
Electricity	115,136	93,189	93,288	89,542	163,025	152,931	53,898	70,527	79,562					911,098
Gas	14,756	11,905	78,093	62,079	27,268	10,439	58,631	31,233	61,390					355,794
Other Utilities Expense														0
Total Utilities	**172,923**	**128,718**	**227,702**	**202,967**	**259,411**	**219,459**	**163,074**	**124,869**	**186,230**	**0**	**0**	**0**	**0**	**1,685,353**
Ordinary Maintenance and Operations - Labor	249,916	182,514	215,394	187,751	384,897	181,061	181,566	163,094	225,295					1,971,488
Ordinary Maintenance and Operations - Materials and Other	10,650	21,555	29,425	23,886	43,750	36,352	24,289	8,182	21,890					219,979
Ordinary Maintenance and Operations Contracts	637,488	187,498	319,328	232,038	296,661	226,027	230,843	128,027	230,526					2,488,436
Employee Benefit Contributions - Ordinary Maintenance	79,071	54,198	68,995	185,648	128,337	55,069	61,366	63,642	63,677					760,003
Total Maintenance	**977,125**	**445,765**	**633,142**	**629,323**	**853,645**	**498,509**	**498,064**	**362,945**	**541,388**	**0**	**0**	**0**	**0**	**5,439,906**
Other General Expenses				12,866				1,021		64,604	352,864			431,355
Compensated Absences		(1,741)	25,540	(35,337)	(12,646)			(5,855)	(1,558)					(31,597)
Payments in Lieu of Taxes														0
Bad debt - Tenant Rents	3,280	4,209	4,436	896	(539)	183	(3,151)	17,123	22,005					48,442
Bad debt - Mortgages														0
Bad debt - Other														0
Severance Expense														0
Total Other General Expenses	**3,280**	**2,468**	**29,976**	**(21,575)**	**(13,185)**	**183**	**(3,151)**	**12,289**	**20,447**	**64,604**	**352,864**	**0**	**0**	**448,200**
Total Operating Expenses	**1,468,180**	**689,716**	**1,036,135**	**1,170,799**	**1,346,846**	**909,423**	**770,505**	**642,004**	**917,440**	**77,637**	**354,628**	**0**	**0**	**9,383,313**
Excess of Operating Revenue over Operating Expenses	**(124,228)**	**40,023**	**(10,317)**	**81,022**	**508,641**	**53,334**	**131,560**	**120,412**	**193,219**	**0**	**0**	**0**	**0**	**993,666**
HAP Portability-In														0
Depreciation Expense	132,767	131,824	299,354	259,397	205,989	228,510	92,152	60,545	345,693					1,756,231
Dwelling Units Rent Expense														0
Total Expenses	**1,600,947**	**821,540**	**1,335,489**	**1,430,196**	**1,552,835**	**1,137,933**	**862,657**	**702,549**	**1,263,133**	**77,637**	**354,628**	**0**	**0**	**11,139,544**
Excess (Deficiency) of Total Revenue Over (Under) Total	(256,995)	(91,801)	(309,671)	(178,375)	302,652	(175,176)	39,408	59,867	(152,474)	0	0	0	0	(762,565)