



County of Fairfax, Virginia

MEMORANDUM

DATE: November 15, 2023

TO: Board of Supervisors

THROUGH: Christopher A. Leonard *CAF*
Deputy County Executive

FROM: Thomas Fleetwood, Director *T*
Department of Housing and Community Development

SUBJECT: Updates to the Housing Choice Voucher Program

This is to inform the Board of Supervisors (the Board) of changes being made to the Housing Choice Voucher program, a federal program administered by the Fairfax County Redevelopment and Housing Authority (FCRHA) on behalf of the U.S. Department of Housing and Urban Development (HUD). The Housing Choice Voucher (HCV) program provides financial assistance to eligible households to offset the cost of rent and utilities in the private market. Program participants pay approximately 30-35 percent of their adjusted income towards renting in the private market, with the FCRHA paying the balance to the landlord (up to a maximum amount).

“Payment standards” are the maximum amount that HCV households can receive each month to help offset the cost of renting and utilities in the private market. Payment standards are based on Fair Market Rents, established annually by HUD for local jurisdictions or metropolitan areas, intended to reflect the cost of living in an area. In 2016, HUD published the Small Area Fair Market Rents (SAFMR) Final Rule establishing Fair Market Rents at the zip code level rather than on a regional basis for the Metropolitan Washington, D.C. area including Fairfax County. The use of SAFMRs is not discretionary; rather, it is a requirement imposed in certain areas of the country by HUD.

When the SAFMR Final Rule was issued, staff at the Department of Housing and Community Development (HCD) analyzed the approach and concluded that implementing SAFMRs would have a negative financial impact on the HCV program. The FCRHA’s analysis concluded that if the SAFMRs had been implemented as proposed by HUD, nearly 600 Fairfax County families could have lost their subsidy. Based on this analysis, in Fiscal Year (FY) 2019 the FCRHA gained approval from HUD to de-couple from utilizing SAFMRs and instead, develop payment standards based on local rental market data. The FCRHA was able to implement this change only because of its status as a Moving to Work (MTW) agency, which allows it to modify policies in its federal rental assistance programs, with the approval of HUD.

Department of Housing and Community Development

3700 Pender Drive, Suite 300

Fairfax, Virginia 22030-7442

Tel. 703-246-5100 • Fax 703-246-5089 • TTY 711

www.fairfaxcounty.gov/housing/

The change in payment standards has been implemented in two phases:

- Phase 1: In March 2019, new countywide payment standards were implemented based on local rental market data. These standards are currently in use for all HCV participants in Fairfax County. Payment standard amounts do not vary based on where a household resides.
- Phase 2: Effective December 1, 2023, new local payment standards, known as RealMarket Payment Standards, based on geography will be implemented, with the change to be fully in place as of March 1, 2024.

As the new payment standard approach will have an impact on HCV participants and landlords, staff is informing the Board of the change to the HCV program.

Description of “RealMarket” Payment Standards

The RealMarket Payment Standards are grouped into three zones, with each Fairfax County zip code assigned to a zone. Amounts are tied to current local rental data and reflect the dynamic nature of the rental market. RealMarket Payment Standards also recognize variations in the cost of renting throughout the county, the heterogeneity of the housing market, and are not necessarily contiguous.

The new submarket payment standards will take effect per the following:

- December 1, 2023, for all new admissions to the HCV program, households who are transferring units (i.e., moving within Fairfax County), and households transferring into Fairfax County from another jurisdiction in the HCV program.
- January 1, 2024, for all owner requested rent increases.
- March 1, 2024, for all HCV reexaminations and adjustments for all households who currently have gross rents greater than the current payment standard.

Please see Attachment 1 for information on the RealMarket Payment Standard amounts as well as a list of each zip code included in each zone.

All areas of the county will have an increase in payment standard amounts under the new approach, benefiting all HCV participants. In addition, some HCV households will have an immediate decrease in their monthly housing costs once the new payment standards are effective. Payment standard amounts will be reviewed on an annual basis and adjusted accordingly based on local data.

The RealMarket Payment Standards mark a major step forward in achieving more equitable outcomes for HCV households. The new Payment Standards provide more housing choices and access to opportunity for program participants, in furtherance of the One Fairfax Policy and in support of Fairfax County and the FCRHA's ongoing commitments through the Metropolitan Washington Regional Fair Housing Plan. The RealMarket Payment Standards are made possible through the FCRHA's designation as a Moving to Work public housing authority.

Please note that the RealMarket Payment Standards will be presented to the Board at its Housing Committee meeting on November 28, 2023. Should you have any immediate questions, please contact me or [Amy Ginger](#), HCD Deputy Director for Operations.

cc: Commissioners, Fairfax County Redevelopment and Housing Authority
Bryan J. Hill, County Executive
Christina Jackson, Chief Financial Officer
Tom Arnold, Deputy County Executive
Rachel M. Flynn, Deputy County Executive
Ellicia Seard-McCormick, Deputy County Executive
Karla Bruce, Chief Equity Officer
Elizabeth Teare, County Attorney
Amy Ginger, Deputy Director, Operations, HCD
Peggy Gregory, Division Director, Rental Assistance, HCD
Vincent Rogers, Division Director, Policy and Compliance, HCD

ATTACHMENT 1

RealMarket Payment Standard Amounts at Effective Date

	0-Bed Unit	1-Bed Unit	2-Bed Unit	3-Bed Unit	4-Bed Unit	5-Bed Unit	6-Bed Unit
Yellow Zone	\$1,740	\$1,790	\$2,070	\$2,600	\$3,135	\$3,620	\$4,100
Green Zone	\$1,850	\$1,910	\$2,200	\$2,770	\$3,330	\$3,850	\$4,360
Blue Zone	\$2,240	\$2,310	\$2,650	\$3,330	\$4,010	\$4,630	\$5,340
Current Payment Standard	\$1,581	\$1,662	\$1,934	\$2,367	\$2,962	\$3,406	\$3,851

Fairfax County Zip Codes by RealMarket Payment Standard Zones

Zone	Zip Code			
Yellow	20598	22046	22304	22309
	22003	22060	22306	22312
	22044	22302	22307	
Green	20041	22009	22081	22180
	20120	22027	22103	22183
	20121	22031	22106	22185
	20122	22035	22116	22199
	20153	22039	22121	22207
	20170	22041	22122	22303
	20172	22042	22124	22311
	20191	22043	22150	
20195	22067	22160		
Blue	20124	22030	22102	22308
	20151	22032	22151	22310
	20171	22033	22152	22315
	20190	22066	22153	
	20194	22079	22181	
	22015	22101	22182	