



Board of Supervisors Health, Housing, and Human Services Committee Meeting

HCV Program Update: Implementing RealMarket Payment Standards

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Background

- Payment standards are the maximum amount that an HCV household can receive each month to help offset the cost of rent and utilities.
- Traditionally required to use HUDs Fair Market Rents (FMRs) as basis for payment standards.
 - Set at broad geographic levels nationwide.
- In 2016, HUD transitioned to Small Area Fair Market Rents (SAFMRs) for metropolitan areas with both significant voucher concentration challenges and market conditions where establishing FMRs by ZIP code areas has the potential to significantly increase opportunities for voucher families.

Background

- The FCRHA was granted authority to use local payment standards in lieu of the SAFMRs via Moving to Work (MTW) authority (Activity 2019-1).
 - Decision was made to prevent termination of approximately 600 families.
- Changes to the payment standards were implemented in two phases:
 - **Phase 1:** Develop a new payment standard for the whole county based on local data. This is currently in use. Payment standards are the same regardless of where a household lives.
 - **Phase 2:** Develop payment standards which vary depending on where a household lives in Fairfax County.

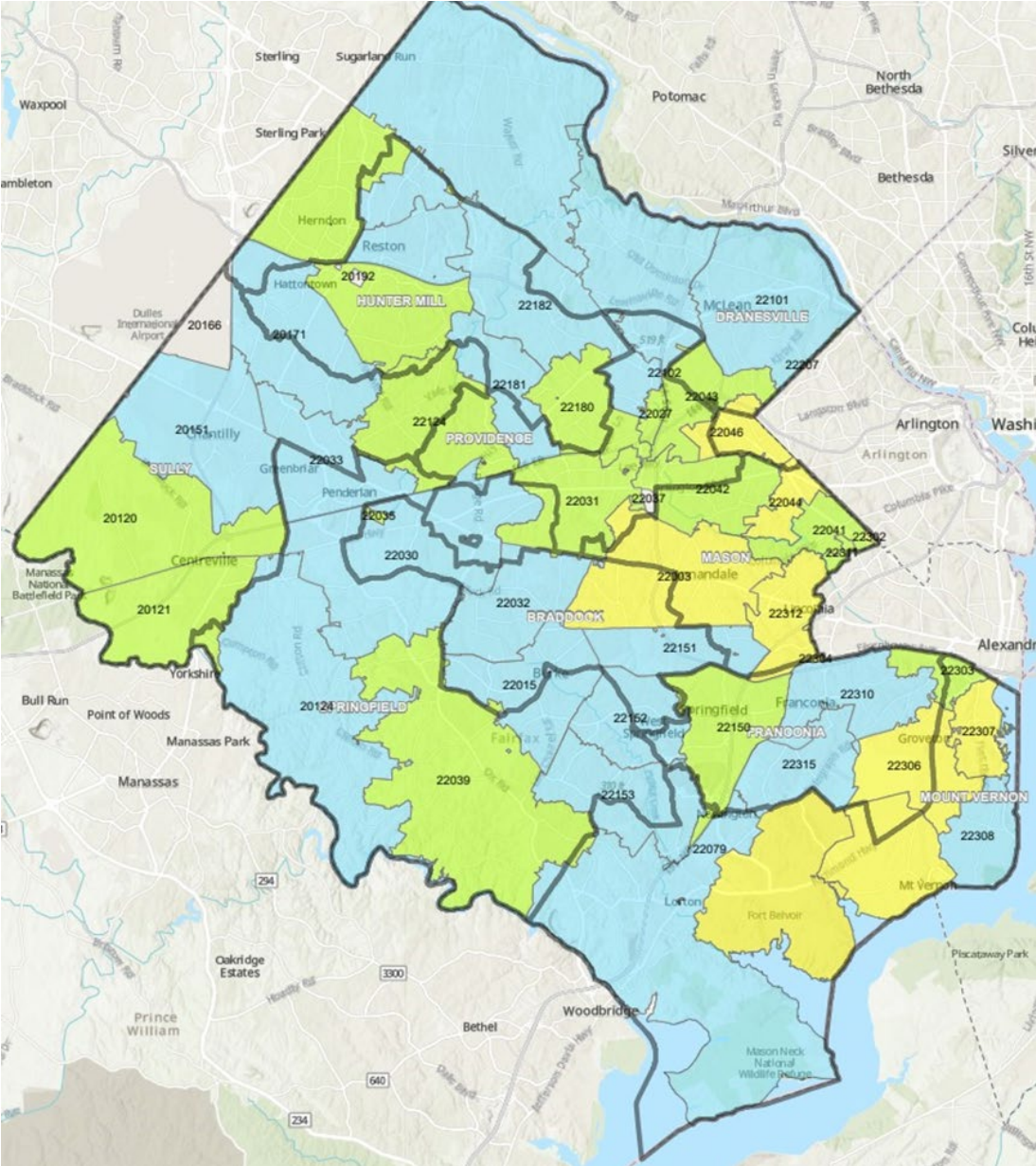
RealMarket Payment Standards

- RealMarket payment standards use current local rental market data to set amounts for zip codes that are then grouped into zones.
- Under the new policy, there will be three zones (yellow, green and blue) of payment standards.
- Will replace the one county-wide payment standard.
- In zip codes where the cost of renting is higher, the payment standard will also be higher.
- RealMarket payment standards reflect the heterogeneity of the housing market in the county and are not necessarily contiguous.

RealMarket Payment Standards

	0-Bed Unit	1-Bed Unit	2-Bed Unit	3-Bed Unit	4-Bed Unit	5-Bed Unit	6-Bed Unit
Current	\$1,581	\$1,662	\$1,934	\$2,637	\$2,962	\$3,406	\$3,851
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

RealMarket Payment Standards: Fairfax County Map



The Importance of this Change

- RealMarket payment standards:
 - Tied directly to market conditions; a better reflection of the true cost of renting in various areas of the county.
 - Support the county's commitment to One Fairfax, the Regional Fair Housing plan, and housing mobility efforts led by HUD.
- Some HCV households will have an immediate decrease in their monthly housing costs.
- All areas of the county will see an increase in the payment standard amounts providing a benefit to all HCV participants.

Questions/Comments