

**FY 2022 PERFORMANCE PLAN**

<b>Housing Choice Voucher Program</b>		<b>EID/HAB</b>	<b>Vanessa Street x1455</b>
Program Purpose	Subsidize low-income families’ rent so that they can afford to live in safe, decent, and sanitary housing in Arlington.		
Program Information	<ul style="list-style-type: none"> <li>• Program components include eligibility determination and recertification, wait list management, and annual housing inspections.</li> <li>• Participants are Arlington County residents who meet income requirements and include families with and without children, people with disabilities, and seniors.</li> <li>• Participants pay approximately 30% of household income toward rent (minimum rent of \$50 for participants with zero income).</li> <li>• Average annual income for participants is as follows:               <ul style="list-style-type: none"> <li>○ Families: \$24,626</li> <li>○ People with disabilities: \$15,181</li> <li>○ Seniors Age 62+: \$16,960</li> </ul> </li> <li>• Average monthly tenant payment is \$398</li> <li>• Average monthly rental assistance is \$1,104</li> <li>• Program is 100% federally funded. According to federal guidelines:               <ul style="list-style-type: none"> <li>○ 75% of new families admitted to the program must have an income under 30 percent of the area median income (“extremely low income”)</li> <li>○ 25% must have income under 50 percent of area median income (“very low-income”)</li> </ul> </li> <li>• The program is assessed by federal Section Eight Management Assessment Program (SEMAP) quality indicators. Arlington’s program has been designated as a SEMAP High Performing Agency since FY 2008.</li> <li>• Scores on 13 of the 14 SEMAP indicators are above the passing threshold.</li> <li>• The program cost for vouchers was \$22,694,883 in FY 2022.</li> </ul>		
Service Delivery Model	<ul style="list-style-type: none"> <li>• Housing Quality Standard (HQS) annual inspections were suspended in April 2020 – June 2021 and virtual inspections were conducted for new move-ins due to COVID. In July 2021, the HCVP resumed the regular on-site inspections for all annual renewal and initial move-in.</li> <li>• A hybrid (remote and in-person), model of service delivery was performed in FY 2022 for all activity except unit inspections. Regular in-person unit inspections were reinstated in July 2022.</li> <li>• A hybrid model will continue throughout FY 2023.</li> </ul>		
<b>PM1: How much did we do?</b>			
Staff	Total of 12 FTEs: <ul style="list-style-type: none"> <li>• 1.0 FTE Executive Director</li> <li>• 1.0 FTE Program Supervisor</li> <li>• 1.0 FTE Inspections Coordinator</li> <li>• 1.0 FTE Housing Coordinator</li> <li>• 1.0 FTE Management and Budget Specialist</li> <li>• 5.0 FTEs Housing Choice Voucher Specialists</li> <li>• 1.0 FTE Inspector</li> <li>• 1.0 FTEs Administrative Technicians</li> </ul>		

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Customers and Service Data		<b>Total Households Served</b>	<b>Families (Non-Elderly/Disabled)</b>	<b>Persons with Disabilities</b>	<b>Seniors Aged 62+</b>	<b>Inspections Completed</b>
	FY 2019	1,488	691	307	490	1,631
	FY 2020	1,456	670	243	543	1,168
	FY 2021	1,507	682	225	600	115*
	FY 2022	1,481	671	251	559	1,664

*\* COVID-19 Pandemic necessitated the suspension of annual recertification inspections in March 2020 -June 2021. FY 2021 inspections total reflects virtual inspections for new move-ins only.*

**PM2: How well did we do it?**

2.1	Initial applications and recertifications processed accurately
2.2	Processing times for eligibility determination
2.3	Effectiveness of services to landlords

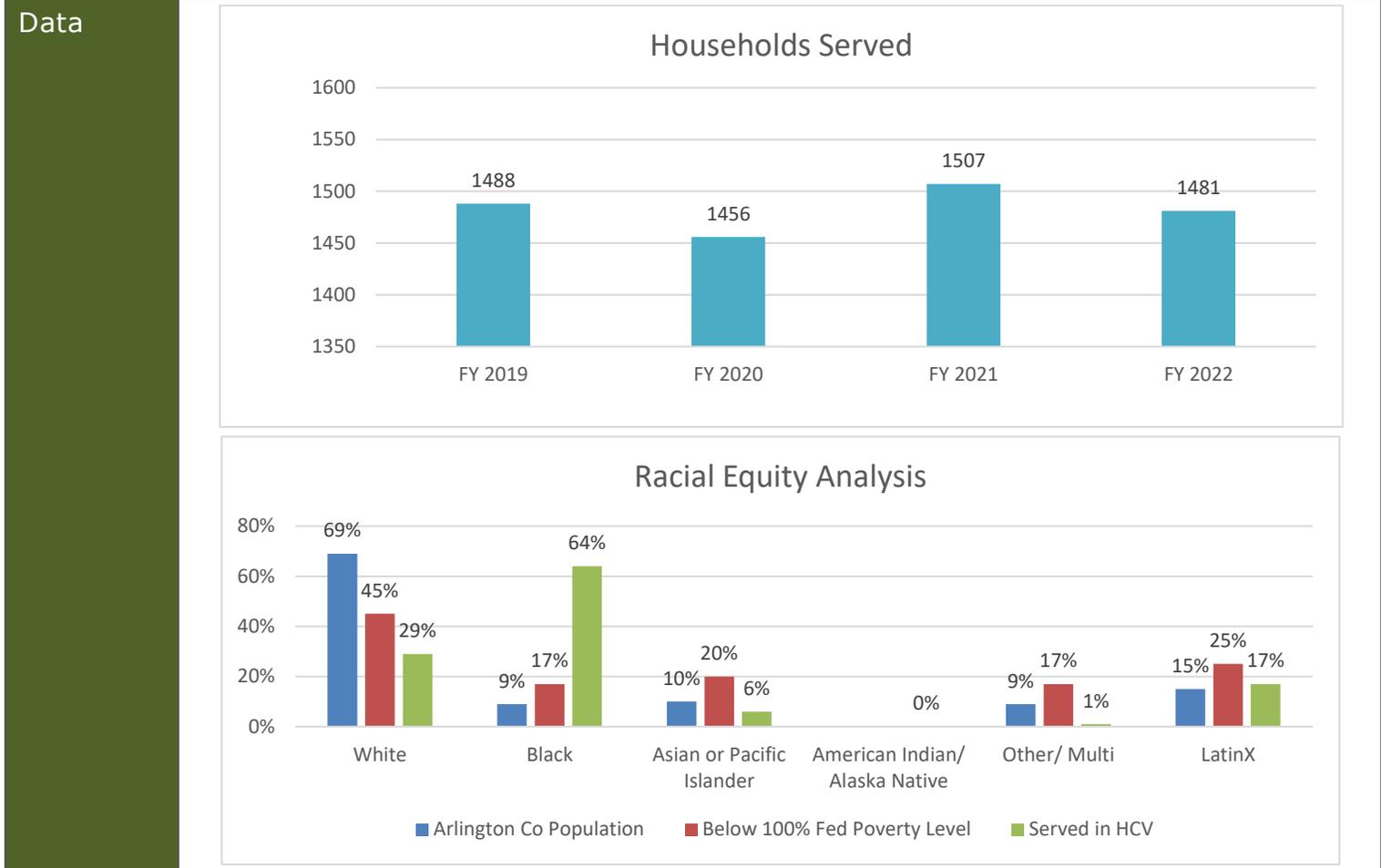
**PM3: Is anyone better off?**

3.1	Increase in amount of money available for non-rental expenses
3.2	Inspection deficiencies corrected

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Housing Choice Voucher Program

Measure	1	Total households served
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**Data Summary**

- Between FY 2019 and FY 2022, the number of Housing Choice Voucher households has remained fairly consistent.
- FY 2022 Racial Equity Analysis data reflects disproportionalities among families served in the HCVP as compared to Arlington’s population and families below the federal poverty level in Arlington. This data includes families served that were ported-out to other jurisdictions.

**What is the story behind the data?**

- An average of 35 families each month were pending finalization of their lease-up throughout the fiscal year. At the end of FY 2022, 1,481 families were leased. However, this year-end total does not consider households at various stages in the lifecycle of the HCV Program (pending lease-up, temporary holds/late recertifications etc.).
- As of the end of FY 2022, there were 52 Mainstream vouchers awarded, and 200 applicants retained on the waitlist when it was opened in FY 2021. Of these applicants 36 are currently leased, 5 are searching for units, and 160 applicants were withdrawn (ineligible, failed to respond). The Housing Choice Voucher Program (HCVP) is now accepting referrals from the Continuum of Care (CoC).

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- The HCVP was awarded 36 Emergency Housing Vouchers (EHVs) under the American Rescue Plan Act in FY 2021. These emergency vouchers are for households that are homeless, at risk of homelessness, and domestic violence homeless individuals/families. Referrals are received from the CoC. There are 19 individuals/families leased, 5 families searching for units, and 3 families pending eligibility.
- The current general HCVP waitlist consists of 295 applicants.
- Of the 50 Family Unification Program (FUP) vouchers, 49 (3 families ported to another jurisdictions) are leased and 1 family is searching for a unit. Child and Family Services have made new referrals to replace the vacated vouchers.
- Under the Commonwealth of Virginia’s Consent Decree with the Dept. of Justice, 8 individuals with developmental disabilities, previously from state training centers, continue to be served.
- Of the 15 Veteran Affairs Supportive Housing (VASH) vouchers, 14 veterans currently leased units and one participant is searching for housing.

<b>Recommendations</b>	<b>Target Dates</b>
<ul style="list-style-type: none"> <li>• In partnership with Child and Family Services, continue to provide rental subsidies through FUP.</li> <li>• Continue to work closely with the Department of Veterans Affairs Medical Center and the Continuum of Care to provide referrals and supportive services to the veterans for the VASH Program.</li> <li>• It is anticipated that appropriately 60 vouchers that ported to another jurisdiction will be absorbed in October 2022. This will have an immediate effect on the utilization of the vouchers. The process of purging/updating the waitlist started in August 2022. It is anticipated that this process will deplete this 2012 waitlist; however, it is hoped that most of the available vouchers can be filled.</li> <li>• Open the general HCVP waitlist regular waitlist consisting of 292 applications.</li> <li>• The Consolidated Appropriation Act 2022 (P.L. 117-103) awarded the HCVP an additional 15 incremental regular vouchers for survivors of domestic violence, or individual and families who are homeless that will be effective October 1, 2022.</li> <li>• Arlington County entered into a Memorandum of Agreement with Commonwealth of Virginia Department of Behavioral Health and Developmental Services to administer 10 State Rental Assistance Program (SRAP) vouchers for individuals/families with developmental disabilities as defined by the Code of Virginia. There are slight differences in the requirements for SRAP as compared to the HCVP.</li> </ul>	<ul style="list-style-type: none"> <li>• On-going</li> <li>• On-going</li> <li>• On-going</li> <li>• FY 2023 Q3</li> <li>• On-going</li> <li>• FY 2023</li> </ul>

**Forecast**

- For FY 2023, the number of families served is projected to increase by 2%, to 1,511.

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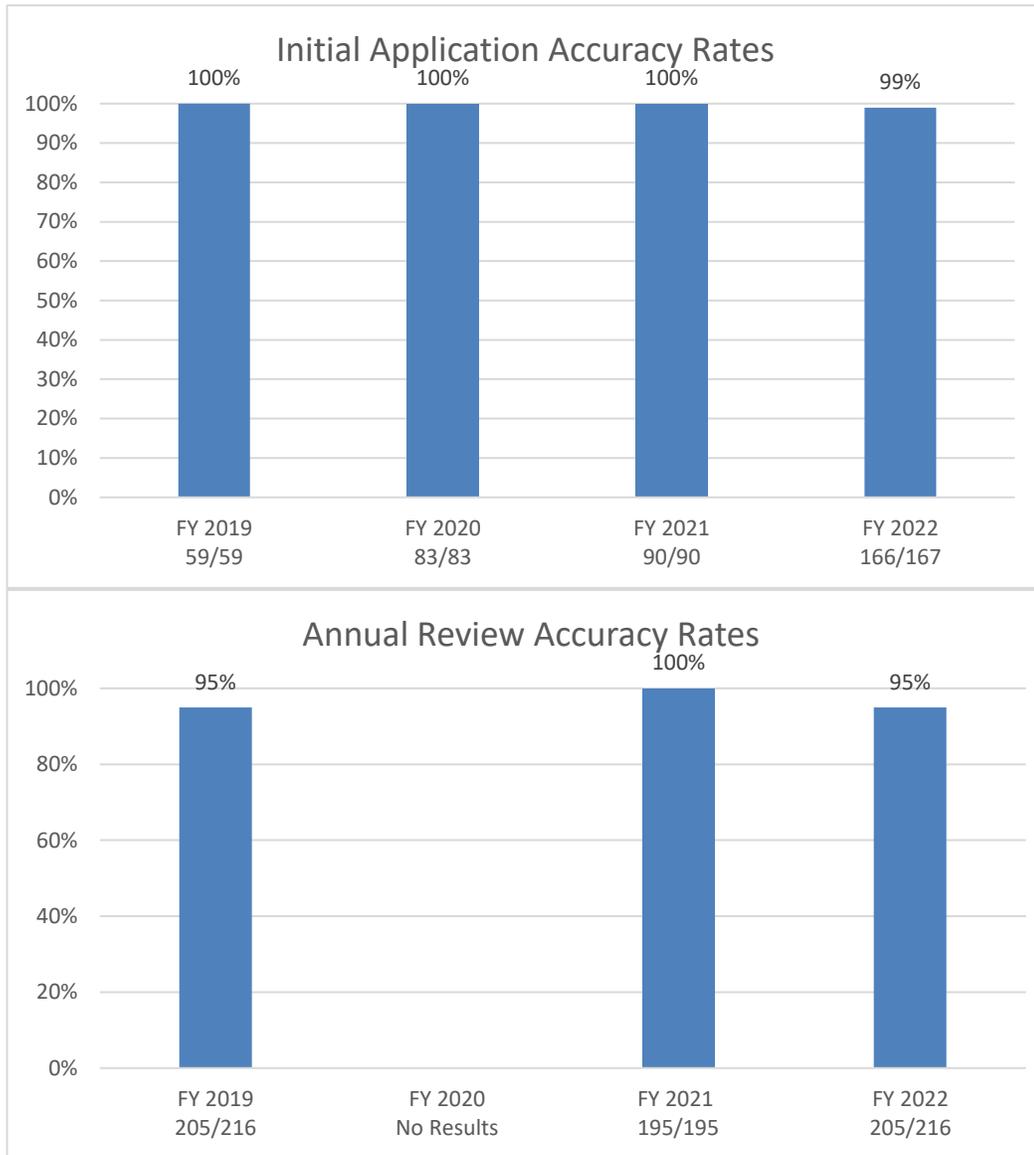
Housing Choice Voucher Program

Measure

2.1

Initial applications and recertifications processed accurately

Data



Data Summary

- Accuracy rates for both initial applications and annual reviews exceeded the Section Eight Management Assessment Program (SEMAP) high performer performance standard of 90% in FY 2014-FY 2022.
- 100% of initial applications are reviewed by program supervisors. The chart includes data on all reviews based on information in the federal data systems.

What is the story behind the data?

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- In FY 2022, the accuracy rate for initial applications was 99% and annual reviews was 95%. The accuracy rate is determined by the total audits completed for SEMAP and the quality control reviews from the supervisors.
- In FY 2022 the HCVP continued to adjust to the new management software to maximize its many features and reporting capacity.
- Monthly quality control reviews were conducted throughout the year.

**Recommendations**

**Target Dates**

- Continue same training and review process.
- Continue to adhere to the updated SOP for the Quality Control Process that require that Housing Specialists maintain a 98% proficiency rate.
- Prioritize the opening of the Landlord Portal at the beginning of FY 2023 and the opening of the Resident Portal towards the end of FY 2023.
- The HCVP waitlist will be opened in FY 2023.

- On-going
- On-going
- FY 2023 Q1
- FY 2023

**Forecast**

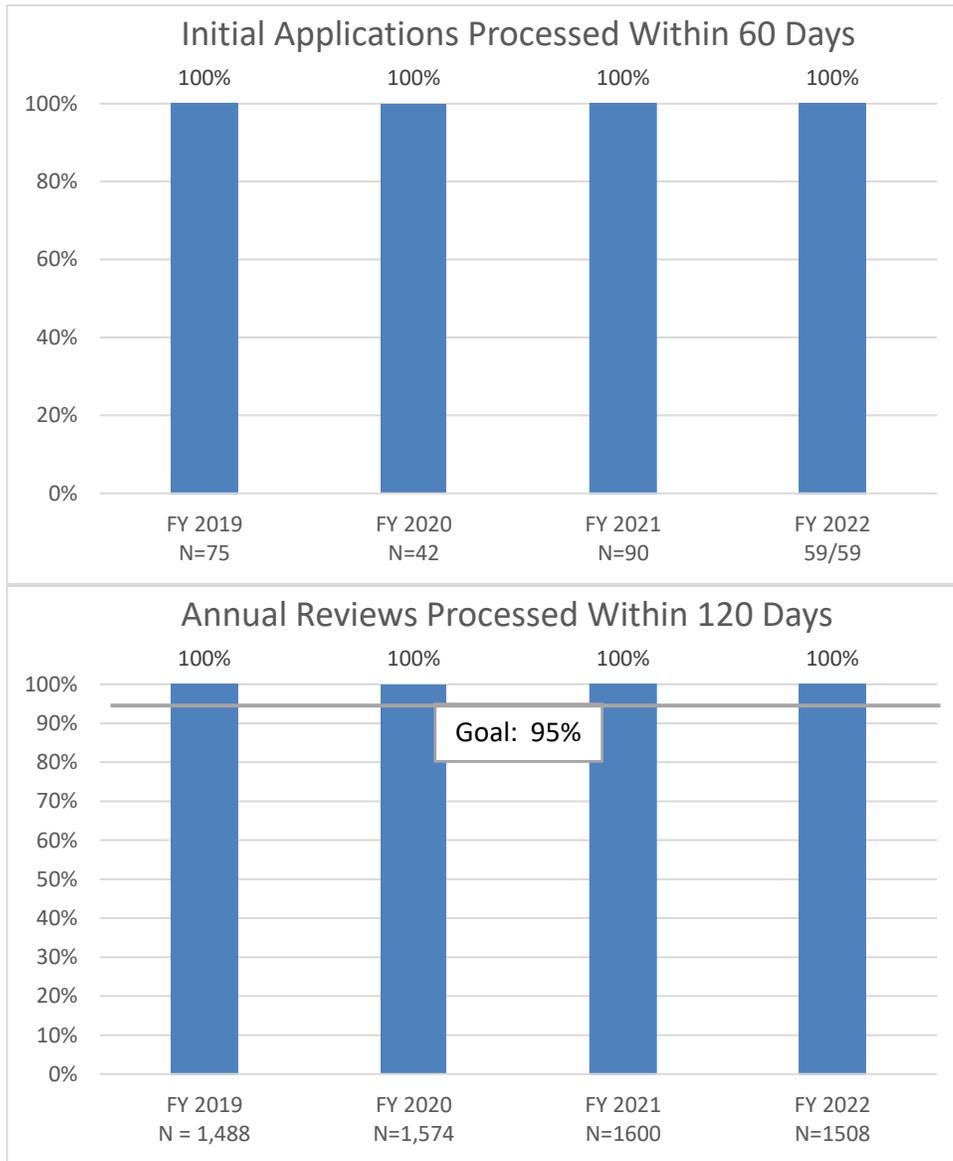
- In FY 2023, the accuracy rate is projected to be 100% for initial applications and 98% for annual reviews

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**Housing Choice Voucher Program**

Measure 2.2 Processing times for eligibility determination

Data



Data Summary

- Timeliness rates for initial applications and annual reviews met the Section Eight Management Assessment Program (SEMAP) high performer standard of 100% for initial applications and exceeded the SEMAP high performer standard of 95% for annual reviews in FY 2014 - FY 2021. We estimate a 2022 HUD rating on or before September 30, 2022.

**What is the story behind the data?**

- The processing time standard for initial eligibility standard is up to 60-days. Workers sometimes hold cases right up to the 60-day period when waiting on additional documentation from participant or property owner.
- Workers must complete Annual Reviews for all on-going cases at least 30-days prior to the annual notice of rent change being sent to the participant and property owner.

**FY 2022 PERFORMANCE PLAN**

- The annual review process begins 120- days prior to recertification date for the following year. Additional time would be granted to participants for extenuating circumstances or hardships to complete the annual recertification process.

**Recommendations**

**Target Dates**

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• Continue this process. This enables applicants to secure housing and is in accordance with the regulatory standards established by HUD.</li> <li>• Continue to update the waitlist on an annual basis. When or if it is determined that funding is available to offer vouchers to applicants on the waitlist, the processing time will be decreased if an updated waitlist is maintained. In order to fill approximately 50 voucher vacancies that will become available due to another housing agency's decision to absorb these vouchers in October 2022, it is anticipated that the current waitlist will be depleted.</li> <li>• Continue to maintain a preliminary ready pool of applicants that can be processed quickly when it is determined that the utilization and funding would allow this.<br/>Continue to initiate annual reviews 120 days in advance. This enables participants to maintain housing and is in accordance with the regulatory standards established by HUD.</li> <li>• Create communication plan to open HCVP waitlist.</li> <li>• Open HCVP waitlist.</li> </ul> | <ul style="list-style-type: none"> <li>• Ongoing</li> <li>• Ongoing</li> <li>• Ongoing</li> <li>• FY 2023</li> <li>• FY 2023</li> </ul> |
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**Forecast**

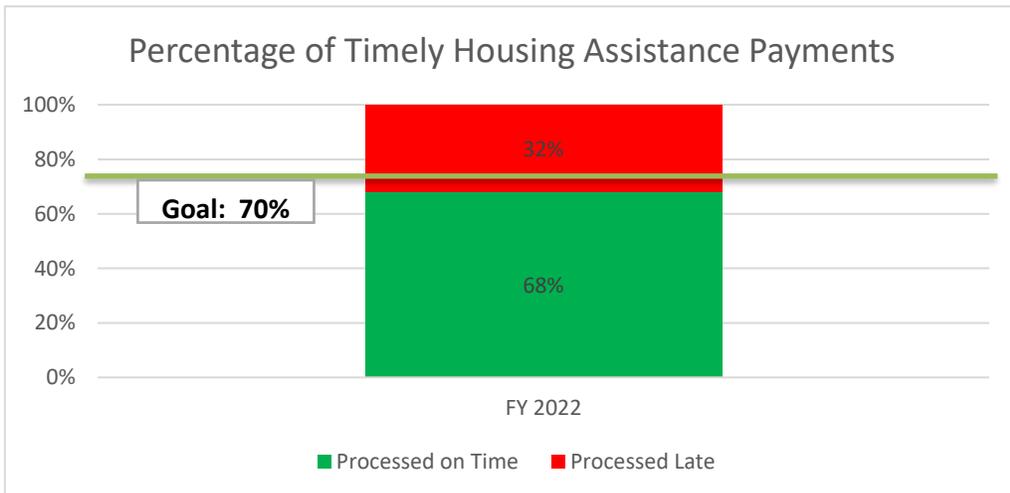
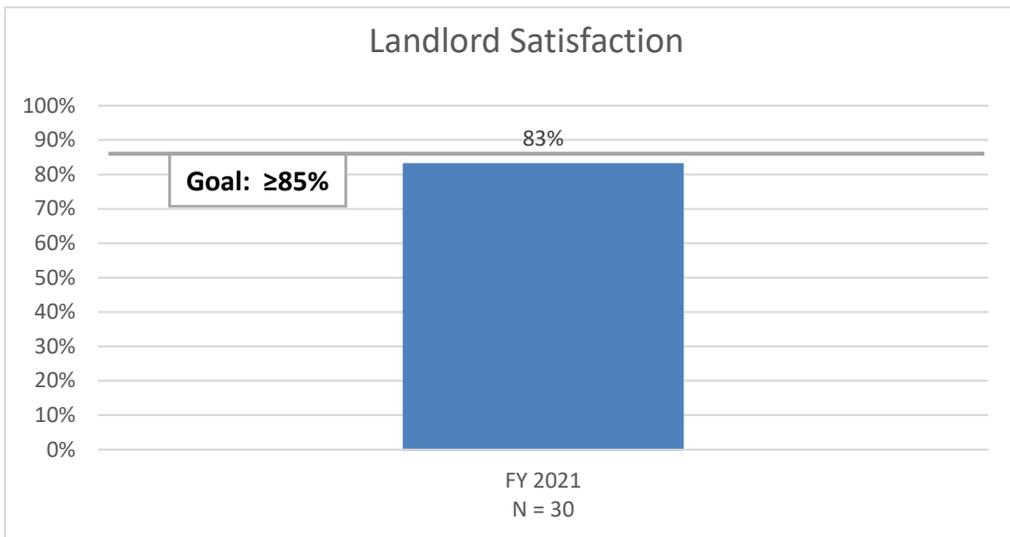
- In FY 2023, the timeliness rate will be 100% for both initial applications and 100% for annual reviews.

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Housing Choice Voucher Program

Measure 2.3 Effectiveness of services to landlords

Data



Data Summary

- Landlords are a key partner in the HCV program. Beginning in FY 2022, effectiveness of services to landlords is assessed through two measures: an annual satisfaction survey, and timeliness of initial Housing Assistance Payment.
- A Landlord Satisfaction survey was conducted in FY 2021 and will form the baseline going forward to measure property owner satisfaction. Survey asked about customer service, general issues property owners are experiencing, and how the COVID-19 pandemic has impacted the property owners.
- A total of 83% of the respondents indicated that they would recommend the HCVP to other property owners.
- A new measure was established in FY 2022 to specifically track the timing of the first Housing Assistance Payment for new move-ins.
- The established standard for the HCVP is to ensure that the Housing Assistance Payments are made to the property owner within 60 days of the authorized move-in.

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- In FY 2022, 68% of the initial move-ins had payments made within the averaged 60-day authorized benchmark.

**What is the story behind the data?**

- In FY 2021, 30 surveys were received from property owners (response rate 21%) of the 139 property owners that had email addresses.
- 83% of the respondents indicated that they would recommend the HCVP to other property owners. 76% strongly agreed that HCVP staff are professional and courteous. 89% of respondents indicated that they would utilize an online property owner portal when made available.
- COVID had significantly impacted the majority of the respondents: 67% decreased their rents, and the vacancy rates increased when reported in FY 2021.
- Timeliness of initial Housing Assistance Payment is affected by County and HCVP requirements regarding who can become a vendor, and there are delays with clearing this first step with the County’s finance departments that are outside the HCVPs control.
- There are also monthly payment processing schedules that are set by the EID (Economic Independence Division) Finance Unit. Check-runs are generally processed twice a month; however, this cycle might be altered to once a month to accommodate business needs and priorities.
- In order to complete a check-run for the HCVP, firm cut-offs are established to control the data and ensure accuracy. If an account is processed after the cut-off establishing the HCVP new move-in, there will be a delay with the release of the initial Housing Assistance Payment until the next check-run.
- Once a new account and vendor is established for a property owner to lease their unit through the HCVP the payment schedule is defined for the upcoming year and Housing Assistance Payments are typically paid at least one week prior to the first of the month rent due date.

**Recommendations**

**Target Dates**

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• Conduct annual property owner satisfaction survey to measure area of HCVP operations that could improve and/or functioning satisfactory.</li> <li>• Implement on-line property owner portal in FY 2023. Continue to promote HCVP landlord onboarding throughout FY 2023.</li> <li>• Create a marketing plan for new prospective property owners.</li> <li>• Monitor on bi-monthly basis staff-initiated processing times for HAPs in accordance with 60 day authorized window.</li> <li>• Evaluate whether prolonged processing delays were within the bounds of program’s administrative control, and measure time from when the unit passes inspection to when the first payment is made.</li> <li>• Review prolonged processing times with stakeholders for any new process improvements or strategies.</li> </ul> | <ul style="list-style-type: none"> <li>• Q4 FY 2023</li> <li>• Q1 FY 2023</li> <li>• Q3 FY 2023</li> <li>• Ongoing</li> <li>• Q4 FY 2023</li> <li>• Q4 FY 2023</li> </ul> |
|--|---|

**Forecast**

- In FY 2023 it is projected to maintain the landlord’s overall satisfaction to at least 85%.
- In FY 2023 it is projected that at least 70% of initial payments will be made on time.

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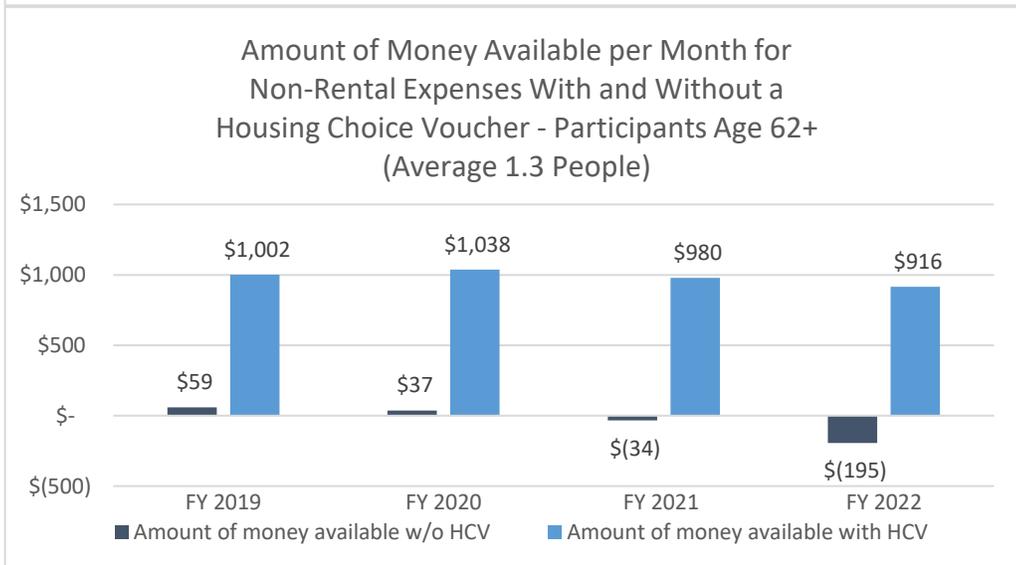
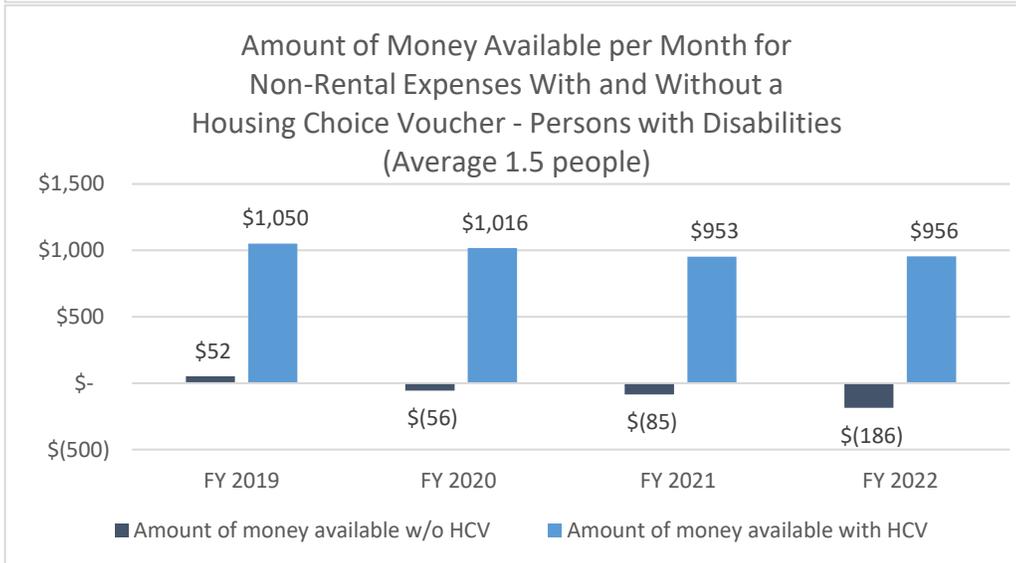
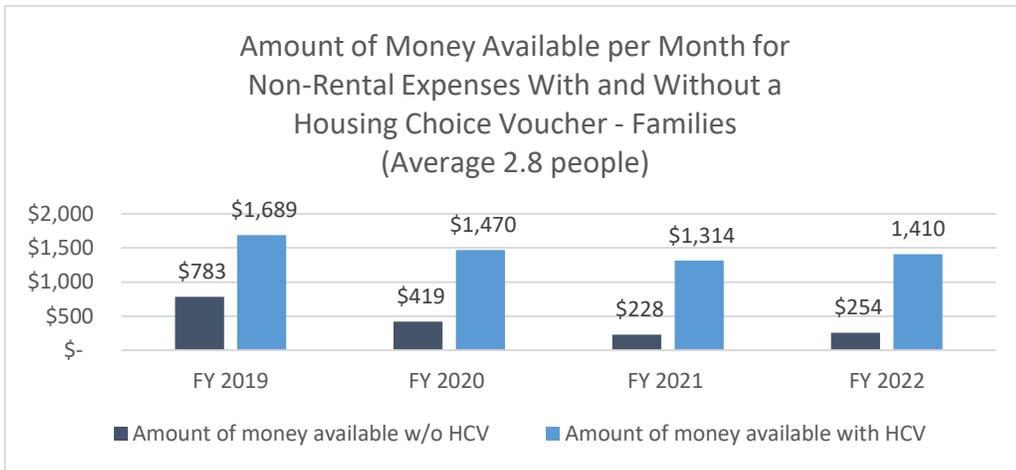
**Housing Choice Voucher Program**

Measure

3.1

Increase in amount of money available for non-rental expenses

Data



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**Data Summary**

- In FY 2022, families saw an increase in money available with HCV (Housing Choice Voucher). For persons with disability and senior households there was a decrease of funds available without HCV subsidy.
- Most HCV households would not have enough disposable income to meet non-rental expenses without an HCV subsidy. The amount of money available without HCV subsidy is calculated by subtracting the average contract rent from the average tenant income. The amount of money available with HCV subsidy is calculated by subtracting the average tenant payment from the average tenant income.
- HUD payments are calculated by Calendar Year (CY) rather than Fiscal Year. Average Housing Assistance Payment paid on behalf of families ranged from \$941 in CY 2015 to \$1,124 in CY 2022.

**What is the story behind the data?**

- The economic effects of the COVID-19 pandemic caused a decrease in earned income for the families participating in the HCV Program, and an increase in the average HAP (Housing Assistance Payments) expense.
- Arlington County’s payment standard is determined by HUD based on their annual assessment of the Fair Market Rent (FMR) for each region of the country. HUD can increase or decrease the FMR based on the formula used to determine the highest rental amount for each region.
- Small Area Fair Market Rents (SAFMR) were implemented in FY 2019 and maintained through FY 2022. All Arlington County zip codes were clustered into four zones, of which two are “Opportunity Zones.” This allows families to rent higher-cost units in designated Opportunity areas.
- The vacancy rate for private rental market 3-5-bedroom units continues to be very low in Arlington. Increases in contract rent for these types of units are often passed to the families because HUD’s calculations establish maximum subsidy, not maximum tenant contribution once the applicant becomes a participant of the program.
- In FY 2022, 50 families decided to relocate (port-out) to other jurisdictions, of which 5 were absorbed by other jurisdictions. Arlington absorbed 56 vouchers for families that ported into our jurisdiction during the year. The replacement of these vouchers through absorbing current Arlington residents whose vouchers were originally issued in other jurisdictions, and issuing vouchers to applicants from the waitlist, could result in higher average subsidy payments.

**Recommendations**

**Target Dates**

- Continue to review reports on clients with extremely low incomes or high Housing Assistance Payments (HAPs), to analyze trends of increase or loss of income family’s income.
- Continue to update marketing/ educational program for clients (property owners and tenants); build staffing capacity in FY 2023 to implement mapping project utilizing neighborhood mapping software as resource tool for prospective voucher holders.
- Continue to closely track budget and leasing utilization of the HCVP; continue to ensure that the Rent Reasonable determination is strongly utilized.

- On-going
- On-going
- On-going

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### Forecast

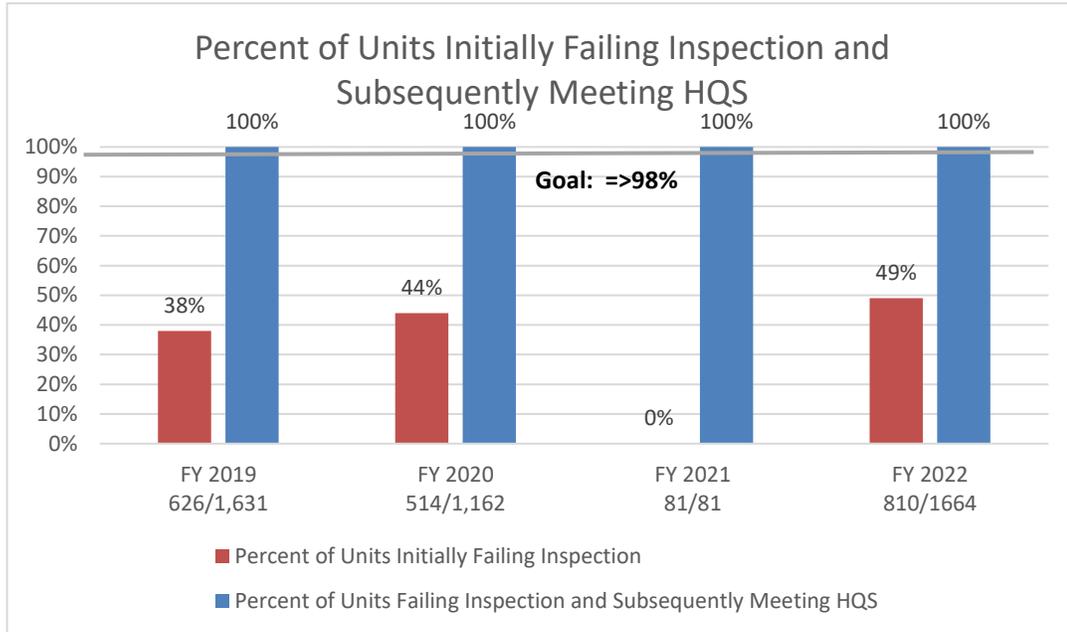
- In FY 2023, the disposable income that a household has available for non-rental expenses after it receives the HCV subsidy is expected to remain consistent with FY 2022 levels due to minimal growth in the economy and low-wage earners' household incomes (both earned and unearned).

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**Housing Choice Voucher Program**

**Measure** 3.2 Inspection deficiencies corrected

**Data**



**Data Summary**

- In FY 2014 – FY 2022, 100% of units failing inspection subsequently met Housing Quality Standards (HQS) and passed inspection within the required timelines. All inspections were completed on time.
- Beginning in FY 2019, this measure includes both annual inspections and move-in inspections. Prior to FY 2019, only annual inspections were included.

**What is the story behind the data?**

- Per HUD regulations, Housing Quality Standards (HQS) are the tool used by the HCV program to inspect all units. HQS includes structural, environmental, and health quality indicators. Units are inspected prior to an initial move in, prior to transfer from one unit to another, and annually.
- If a unit fails HQS standards, the property owner/tenant is given a 30-day notice to fix the violations. If additional time is needed beyond the 30 days, the property owner must make the request in writing to the housing inspection unit within the HCV office. Failure to correct HQS deficiencies identified could result in an abatement of HAP payment to the property owner and/or termination from the HCV program. The average percentage of homes with violations has fluctuated through the years.
- The COVID-19 Pandemic necessitated the suspension of annual recertification inspections in March 2020 – June 2021. HUD issued PIH (Public and Indian Housing) (Public and Indian Housing) Notices 2020-5 and 2020-13, 2020-33, 2021-14 that allowed the HCVP to implement a waiver to customize the inspection process as determined best by the locality. Virtual inspections are completed for new move-ins, and annual inspections resume in July 2021. Any annual inspections that were not completed in FY 2020 must be completed within a year after they are determined safe.
- When annual inspections resumed in July 2021, a different methodology was incorporated in the scheduling by grouping the inspections in geographical zip codes of neighborhood regions

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instead of the annual recertification anniversary date. These initial changes created a challenge for the inspectors in some months due to the high volume.

- It was anticipated that we would have an increase in the volume of failed inspections; however, the increase of 40% was much lower than the 75% projected.

<b>Recommendations</b>	<b>Target Dates</b>
<ul style="list-style-type: none"> <li>• Continue to inspect units prior to initial move in, prior to transfer from one unit to another, and annually in order to ensure families are living in safe, decent, and sanitary housing.</li> <li>• Continue to develop relationships with property owners. Prepare for anticipated change of Housing Quality Standards (HQS) to National Standards for the Physical Inspection of Real Estate (NSPIRE). HUD's testing demonstration of NSPIRE has been extended through April 2023.</li> <li>• Continue to bridge engagement with Arlington Code Enforcement office for special inspections, and to determine best practices that have been implemented such a virtual inspection in line with limitations of conducting inspections due to COVID-19 Pandemic.</li> <li>• Launch RFP to build capacity for added oversight of HCVP units and CAFs regulated under HQS inspections.</li> </ul>	<ul style="list-style-type: none"> <li>• On-going</li> <li>• On-going</li> <li>• On-going</li> <li>• FY 2023 Q4</li> </ul>