

Local Rental Subsidy Program Options for the City of Alexandria

Findings, Scenarios, and Approaches



Prepared by HDAdvisors and The Virginia Center for Housing Research at Virginia Tech
for the City of Alexandria Office of Housing

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Summary of Findings

About This Study

This report identifies and evaluates approaches to establishing and operating a **Local Rental Subsidy Program** (LRSP) for Alexandria, Virginia. LRSPs can work alongside existing housing assistance programs to offer supplemental rental subsidies for cost-burdened and low income renters in a community. These long-term subsidies are categorically different from short-term local emergency or support services.

Along with this community input, findings in this report are based on an assessment of current affordability challenges in the City's rental market, a review of existing policies and programs and subsequent development around program delivery priorities, an analysis of relevant evidence-based studies, and evaluations of local rental subsidy programs from across the nation. Program details are identified to offer options for Alexandria to consider in the development of LRSP within their own community context.

National Context

Fifteen LRSP across the nation demonstrate that, while this model is relatively new, renters can be served with equity, avoid displacement and reduce the likelihood of benefits cliffs; efficiencies can be implemented to reduce administrative barriers to access and operate the program.

National program interviews, along with initial focus groups and interviews, demonstrate that most often LRSPs are tenant-based programs that serve the most financially vulnerable populations in their communities. These households generally have incomes below 40% of the Area Median Income (AMI) and often interact with existing homelessness services infrastructure as a referral point into the program.

Typically payments are made directly to landlords to reduce the risk of eviction and administrative burdens range greatly depending on the type of program and subsidy being offered. The range of funding available to each program nationally varies in amount and continuity over time - which is a risk for ongoing programming.

Program Scenario Models

Several hypothetical program scenarios are modeled to demonstrate how different LRSP design criteria affect potential funding levels and households served for an operationalized program in Alexandria. Model inputs, including AMIs and Fair Market Rents (FMR), are specific to the City of Alexandria where applicable.

Two scenarios (“A” and “C”) determine the number of households that could be served with an annual program budget of \$500,000, reducing cost burdens among renters with incomes between 30% and 50% AMI. The rental subsidy for Scenario A equals the difference between rent at 60% AMI and the rent at 40% AMI, assuming a tenant payment of 30% of gross household income, while the payment amount for Scenario C is the difference between the FMR and 40% of gross household income (assuming an employed household). Despite these different approaches, both scenarios estimate serving just under 60 households each.

Scenario B prioritizes households or individuals at risk of or experiencing homelessness, and provides rental assistance paying the difference between tenant affordable rent (30% of income) and rents at 60% AMI. For a program serving 150 clients—mostly single-persons living on SSI or \$1,500 per month—the projected annual cost is \$3.03 million. This includes a higher administrative overhead than the other scenarios to account for more intensive case management.

These models demonstrate that the estimated per-household cost for rental assistance serving households between 30% and 50% AMI is roughly \$8,000 to \$10,000 annually, depending on payment standards, household sizes, and size of units leased. However, a program focused on deep rental assistance for extremely low-income residents with housing insecurity would cost twice as much per household—around \$20,000 annually.

Potential Approach

Based on the study findings, a project-based subsidy seems the most sustainable model. Unlike traditional tenant-based approaches like the federal Housing Choice Voucher program, project-based rental assistance can promote relationships with local landlords, including nonprofit owned and operated housing, to subsidize and reserve specific units for deeper affordability.

This recommendation would allow the City to draw on lessons learned from ongoing LRSP programming, while also exploring the opportunity to expand its support to the community. A project-based subsidy, direct to a unit or landlord, could keep City administrative costs low, while also offering deeper affordability to community members that need it most. The City can best structure a project-based LRSP to strengthen housing stability and affordability for low-income renters while relying on already established infrastructure.

These conclusions may potentially inform subsequent discussions among City Council, staff, and the community pursuant to the Housing Master Plan update, upcoming small-area planning efforts, and other City processes.

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1 Study Background and Literature Review

Years of strong economic growth and high-quality services make the City of Alexandria an attractive place to call home. Unfortunately, rising housing demand from current and prospective residents alike has not been met with a necessary expansion of supply.

Since 2000, average incomes for Alexandria households have risen 84%. Over that same period, however, the average rent of a two-bedroom apartment more than doubled (+149%), and the average home value nearly tripled (+255%). As a result, nine of every ten renter households earning less than \$50,000 are cost-burdened.¹

Over the last decade, the City of Alexandria has strengthened its efforts to address this challenge by facilitating both the creation of new affordable homes and allocation of financial resources to households struggling to pay for their homes. While this dual supply- and demand-side approach is necessary, the following report investigates a new option to expand the latter.

1.1 Study Team

At the request of City Council, the City of Alexandria Office of Housing solicited proposals to examine the best path forward for studying local rental subsidy programming and how best to utilize potential City funding to support its renting residents. HDAvisors (HDA) and the Virginia Center for Housing Research at Virginia Tech (VCHR) submitted a dual proposal with HDA acting as the primary contractor.

HDA and VCHR, the “Researchers,” worked with the City of Alexandria housing staff to develop a roadmap for this study. The LRSP study approach is described below.

From October 2023 through December 2024, this project team conducted interviews and held focus groups with local housing practitioners, community representatives, and national program experts. Over 100 members of the Alexandria community also participated in a virtual town hall meeting in early December 2023. Study evaluation and analysis was ongoing and finalized in January 2024.

1.2 Study Approach

1. *Identify the current rental and housing program context in Alexandria and establish priorities for guiding evaluation, and ultimately, the LRSP itself.*
 - a. Document and Data Analysis
 - b. Programmatic Interviews and Focus Groups

¹ American Community Survey, 2021.

- c. Establish and Define Priorities
- 2. *Review programs and academic/professional literature to identify LRSP best-practices and examples relevant to the City's programming context, as well as the City's current policies and plans.*
 - a. Literature Review
 - b. Nationwide LRSP Landscape Scan
 - i. Quantitative Review of Program Elements (Identification and Evaluation)
 - ii. Qualitative Review of Operation and Administration (Interviews and Documentation)
 - c. Alexandria Community Meeting
- 3. *Identify specific recommended best-practices and programmatic approaches and options, prioritized for Alexandria staff and City Council deliberation.*
 - a. Identity Program Design Elements
 - b. Scenario Modeling
 - c. Specific Recommendations

1.3 Rental assistance in Alexandria

The City of Alexandria operates three rental subsidy programs and pilots a guaranteed income program. While none are specifically defined as “LRSP” in City documents, the study hopes to enumerate options that may expand the scope and successful outcomes for these programs.

Researchers held focus groups with representatives from each program or aligned organization. Each focus group identified the importance of the ease of administration for staff and clients in increasing positive outcomes, the barriers of benefits cliffs to service, and the unintended consequences of displacement from benefits gaps.

Furthermore, service providers are committed to serving those who are the most vulnerable, or “need it the most,” which can be identified as serving the community with equity. Income eligibility for any new program would ultimately be determined through a community engagement process and public deliberations.

1. **Housing Choice Voucher:** Administered by the Alexandria Redevelopment and Housing Authority (ARHA). In June 2023, there were 1,966 vouchers allocated to the city, of which approximately 1,500-1,600 could be funded due to the high cost of housing. The program has a long waitlist and is not accepting new applicants.

2. **Senior Rental Subsidy:** Administered by the City's Department of Community and Human Services (DCHS), and provides a rental subsidy check of up to \$500/month to income eligible seniors and residents with disabilities. The Program can support up to 140 residents per year and is funded through local resources. As of October 5, 2023, the program has space available to support new residents.
3. **Pilot Rental Subsidy:** Administered by the City's Office of Housing and designed to deepen the levels of affordability of ten percent of units in 9% Low Income Housing Tax Credit (LIHTC) projects for a period of five years. The Program is funded through the City's Housing Trust Fund and currently serves 36 households; an additional 10-20 households will be served by projects in the pipeline.
4. **Alexandria's Recurring Income for Success and Equity (ARISE):** Administered through a 3rd party program, this is a guaranteed income pilot program launched in 2022 and funded through a \$3 million allocation from the American Rescue Plan Act (ARPA). The pilot provides direct, recurring cash payments of \$500/month, with no restrictions on use, to 170 Alexandria households for two years. The payments are unconditional, with no requirements or restrictions on how they are spent. As a pilot program, outcomes for participating households have yet to be determined or officially released.

While these programs are a start for supplementing the high housing costs in Alexandria, is it possible that more can be done to support Alexandria's most vulnerable residents? LRSP is a relatively new phenomenon, but is a viable approach to supplementing local rental subsidies when other funding sources are lacking for renters. Additionally, LRSP is longer lasting than emergency rental relief programs, but can operate without similar barriers as a housing choice voucher. What LRSPs are out there, what are their outcomes, and what can we learn from them as models for Alexandria?

1.4 Overview of Housing Insecurity in the United States

Nearly 45 million housing units are rental properties in the United States², and one in every five American households grapples with housing insecurity. This insecurity manifests in various ways, from households that "double up" (more than one household in one unit) to those that lag behind on their rent. Housing insecurity can also look like the instability of frequent relocations, poor accommodations, or even complete lack of shelter.³

² American Community Survey, 2022.

³ Cox, R., Rodnyansky, S., Henwood, B., & Wenzel, S. (2017). Measuring population estimates of housing insecurity in the United States: A comprehensive approach. CESR-Schaeffer Working Paper,(2017-012). Retrieved June 6, 2021. Center for Economic and Social Research.

A wealth of research sheds light on the adverse consequences of housing instability, particularly for low-income families. Such instability can hinder children's educational achievements⁴, affect employment opportunities,⁵ jeopardize physical and mental well-being,⁶ and even diminish social connections.⁷

1.5 The Role and Impact of Rental Assistance

Rental assistance refers to a range of programs and initiatives for renters dedicated to supporting individuals and families, and can play an important role in this context. Specific LRSPs are few and far between, as they are a relatively new phenomenon as a support intervention. Rental assistance offers insight into the potential benefits of LRSPs with few specific academic resources to rely on.

The objective of rental assistance is to alleviate the financial strain for low-income and/or high-barrier households to find attainable, stable housing. In doing so, these programs create consistent access to a secure and suitable living environment for the members of those who access it. Rental assistance is known to have the following effects:

1. *The promotion of housing stability.* Rental assistance empowers families, offering them the means to secure appropriate, steady homes. Extensive research indicates that families receiving rental assistance face fewer issues like homelessness, evictions, housing instabilities or overcrowding compared to those without support.⁸
2. *Poverty reduction.* In 2018 alone, rental assistance propelled three million individuals above the poverty threshold in the U.S. Of this number, 665,000 were elderly individuals, marking a significant impact second only to the Social Security program. Additionally, 936,000 children benefited from rental assistance, showing the impact of rental aid in alleviating financial hardships.⁹
3. *The well-being of children significantly improves.* Children are shielded from potential detrimental impacts on their health, development, and education through the introduction

⁴ Ziol-Guest, K. M., & McKenna, C. C. (2014). Early childhood housing instability and school readiness. *Child Development*, 85(1), 103–113.

⁵ Desmond, M., & Gershenson, C. (2016). Housing and employment insecurity among the working poor. *Social Problems*, 63(1), 46–67.

⁶ Desmond, M., & Kimbro, R. T. (2015). Eviction's fallout: Housing, hardship, and health. *Social Forces*, 94(1), 295–324.

⁷ Oishi, S. (2010). The psychology of residential mobility: Implications for the self, social relationships, and well-being. *Perspectives on Psychological Science*, 5(1), 5–21.

⁸ Desmond, M. (2018). Heavy is the house: Rent burden among the American urban poor. *International Journal of Urban and Regional Research*, 42(1), 160–170.; Fischer, W., Rice, D., & Mazzara, A. (2019). Research shows rental assistance reduces hardship and provides a platform to expand opportunity for low-income families. Center on Budget and Policy Priorities, Washington, DC.; Schapiro, R., Blankenship, K., Rosenberg, A., & Keene, D. (2022). The effects of rental assistance on housing stability, quality, autonomy, and affordability. *Housing Policy Debate*, 32(3), 456–472.; Wood, M., Turnham, J., & Mills, G. (2008). Housing affordability and family well-being: Results from the housing voucher evaluation. *Housing Policy Debate*, 19(2), 367–412.

⁹ CBPP. (2019). Federal Rental Assistance Fact Sheets." Center on Budget and Policy Priorities. <https://www.cbpp.org/research/housing/federal-rental-assistance- fact-sheets>

of stable housing with rental assistance. Research indicates that children from previously homeless families who secure housing through rental aid display fewer behavioral issues and demonstrate a higher propensity for positive social behaviors, such as helping others. Moreover, children from families that utilize rental assistance that then migrate to neighborhoods with lower poverty rates manifest better life outcomes, including higher earnings in adulthood, increased college attendance rates, and a decreased likelihood of becoming single parents. Notably, data reveals that Black and Hispanic children from low-income backgrounds with housing vouchers are more inclined to reside in low-poverty areas compared to their counterparts without such support.¹⁰

4. *Adult well-being and mental health outcomes improve.* Enhanced adult well-being and potentially reduced health-care costs are a marked benefit of rental assistance. Such assistance dramatically decreases psychological distress among adults previously facing homelessness, by alleviating the stresses tied to potential eviction or housing instability. Moreover, when families leverage rental aid to relocate to low-poverty neighborhoods, just like children experiencing improved wellness outcomes, adults experience pronounced improvements in health. These moves decrease the instances of diabetes, extreme obesity, and improves mental health.¹¹

1.6 Rental Assistance Challenges at the Federal Level

Although the federal government's efforts to provide housing assistance are significant, their scope is limited. While federal rental programming is extensive, they face challenges, including a limited availability of vouchers nationwide and extensive numbers of eligible renters. This discrepancy leads to long waiting lists, leaving eligible applicants waiting for vouchers that may never come.¹²

The HB854 Statewide Housing Study¹³ identifies long waitlists for Housing Choice Vouchers (HCV)—both nationwide and throughout Virginia—as an administrative and organizational burden preventing more cost-burdened households in accessing rental assistance. Other serious barriers to accessing HCV rental assistance are restrictive eligibility criteria, like criminal background checks or immigration status.

¹⁰ Chetty, R., Hendren, N., & Katz, L. F. (2016). The effects of exposure to better neighborhoods on children: New evidence from the moving to opportunity experiment. *American Economic Review*, 106(4), 855–902.; Sanbonmatsu, L., Katz, L. F., Ludwig, J., Gennetian, L. A., Duncan, G. J., Kessler, R. C., Adam, E. K., McDade, T., & Lindau, S. T. (2011). Moving to opportunity for fair housing demonstration program: Final impacts evaluation.

¹¹ Culhane, D. P., Metraux, S., & Hadley, T. (2002). Public service reductions associated with placement of homeless persons with severe mental illness in supportive housing. *Housing Policy Debate*, 13(1), 107–163.; Ludwig, J., Duncan, G. J., Gennetian, L. A., Katz, L. F., Kessler, R. C., Kling, J. R., & Sanbonmatsu, L. (2012). Neighborhood effects on the long-term well-being of low-income adults. *Science*, 337(6101), 1505–1510.

¹² Aiken, C. (2023). *Local Housing Policy: Why It Matters*. Housing Solutions Lab.

¹³ The study was commissioned by House Bill 854 from the General Assembly's 2020 regular session. HousingForward Virginia conducted the study in partnership with the Virginia Department of Housing and Community Development and Virginia Housing. The study was released in January 2022 and is available online at bit.ly/hb854study.

Furthermore, federal rental programs meet less than 20% of the eligible population's need, despite the ever-increasing demand for affordable housing.¹⁴ State governments have attempted to address this widening gap, but these programs are often unable to meet the surge in demand.¹⁵

1.7 Local Rental Intervention

Local governments have a unique vantage point of understanding the complexities and nuances of their unique community's housing issues, allowing them to coordinate federal and state funding and community resources effectively — even directly involving community stakeholders in their programming. However, nongovernmental organizations can sometimes be more flexible in their responsiveness to those typically barred, such as individuals without full legal documentation.

The literature available for LRSP is limited, but some case studies and evaluation offer insight into the outcomes and administration of the model. LRSP is described as a locally provided, shallow or small supplemental subsidy that goes beyond rapid rehousing, in the amount and timeline of subsidy provided, but is more limited and accessible than housing voucher programs.¹⁶ Evaluation of LRSP shows that households receiving local rental subsidies are likely to move less, reduce their cost burden and overcrowding, and reduce their overall housing costs as a result of the assistance.¹⁷

The National Low Income Housing Coalition (NLIHC) collates a national database of active state and local rental housing programs (includes more than just LRSP models).¹⁸ Of the total 353 rental assistance programs, 72 programs are funded locally, with 24 that provide tenant-based or project-based rental assistance. These rental assistance programs primarily provide assistance based on 30% of a tenant's income with some flexibility amongst programs, depending on the household type and/or income guidelines.¹⁹ Thirteen percent of tenant- and project-based assistance programs do not limit the eligibility criteria based on income, but rather by targeting certain populations, like those at risk of homelessness.²⁰

The most successful rental assistance programs nationwide have a permanent source of funding, rather than annual appropriations, and are more adaptable when not tied to federal HCV requirements.²¹ Connecticut has been able to work within the confines of the federal HCV model by allowing for more flexibility in voucher administration, including the use of third-party

¹⁴ CBPP. (2019). Federal Rental Assistance Fact Sheets." Center on Budget and Policy Priorities. <https://www.cbpp.org/research/housing/federal-rental-assistance- fact-sheets>.

¹⁵ Pelletiere, D., Canizio, M., Hargrave, M., & Crowley, S. (2008). Housing assistance for low income households: States do not fill the gap. Washington, DC: National Low Income Housing Coalition. <http://nlihc.Org/Sites/Default/Files/Housing-Assistance-2008.pdf>.

¹⁶ Urban Institute. (2021) First year results of the DC Flex Pilot Program: <https://www.urban.org/research/publication/dc-flexible-rent-subsidy-program-findings-programs-first- year>.

¹⁷ <https://www.huduser.gov/portal/publications/DC-Flexible-Rent-2020.html>

¹⁸ 2023 Database and 2023 NLIHC Report: <https://nlihc.org/rental-programs>

¹⁹ H.B. 854: bit.ly/hb854study.

²⁰ 2023 Database and 2023 NLIHC Report: <https://nlihc.org/rental-programs>

²¹ H.B. 854: bit.ly/hb854study

administrators instead of Public Housing Authorities (PHA), waiving citizenship requirements, and offering expanded access for those with criminal backgrounds.²²

1.8 Local Rental Subsidy Program Examples

Additional program examples are formatted into case studies and described in [Appendix 2](#).

1. Flexible Rent Subsidy Program (DC Flex) – District of Columbia

- a. **Background:** In 2017, the District of Columbia Department of Human Services (DHS) initiated the Flexible Rent Subsidy Program (DC Flex). The program was designed to assist families experiencing housing instability, but not outright homelessness, aiming to bridge the gap between traditional rental assistance programs and basic income support. They hoped to introduce a "shallow subsidy" mechanism that balanced between the two, simplifying administrative processes for governments, and providing tenants greater control over their subsidies.
- b. **Program Design:** Under DC Flex, families earning less than 30 percent of the District's median family income are entitled to a yearly subsidy of \$8,400, translating to a \$600 monthly assistance. Each household must apply to a lottery to be selected into the program. Singles may enter the lottery for \$7,200 of support. The subsidy, deposited into a designated account, leaves the monthly use up to the discretion of the household. Annually, participants undergo a recertification process, and they remain eligible even if their incomes rise above the initial 30 percent of the median family income (but must not exceed 40% of AMI). Unutilized funds roll over annually, for up to four years.

A salient feature of DC Flex is its direct provision of assistance to participants, rather than landlords and the ability for households to decide how much funding to use per month. This system allows beneficiaries to manage the subsidy almost like a savings account. Beyond proving their rent payment to facilitate a monthly fund transfer, participants attend an initial program orientation and a couple of financial coaching sessions in their first year.

- c. **Outcome & Evaluation:** The study's first-year results demonstrate that the Flexible Rent Subsidy (DC Flex) has an inconsequential impact on homelessness, Emergency Rental Assistance Program (ERAP) utilization, and Temporary Assistance for Needy Families (TANF) utilization, but has reduced the use of services within the homelessness Continuum of Care.²³ This reflects that the program neither exacerbates homelessness nor heavily depends on other government resources. The uptake of DC Flex was 45%, suggesting

²² H.B. 854: bit.ly/hb854study

²³ Alva, M. L., Mammo, N., Moore, R. T., & Quinney, S. (2023). Do Shallow Rental Subsidies Promote Housing Stability? Evidence on Costs and Effects from DC's Flexible Program. *Urban Affairs Review*, 59(5), 1530–1566.

complexities in decision-making about enrolling in the program. In other words, if there is an opportunity for a program with better benefits, such as HCV, they tend to give up participating in the program. For some, it was a clear benefit, especially those without existing housing subsidies or were about to exit programs like Rapid Re-Housing. For others, especially those currently in Rapid Re-Housing, the financial evaluation becomes more complex due to variations in potential benefits over time.

Policymakers see DC Flex as an effective measure at preventing homelessness, especially when compared to business-as-usual housing services.²⁴ Yet, there are concerns regarding its sufficiency for many eligible participants. While some may see this as an upfront investment that shields families from future challenges, others might view it as a diversion of funds that could be better utilized elsewhere. In particular, areas where homeless services are scarce might face more pronounced repercussions from such trade-offs.

2. Portable Rent Subsidy - Ontario, Canada

- a. **Background:** Homelessness among young people in Ontario has been linked to several risk factors, such as family dysfunction, poverty, childhood abuse, incomplete education, and more. Recognizing the gap between long-term rental assistance and immediate emergency aid, Ontario introduced the Portable Rent Subsidy Program to promote socioeconomic inclusion and provide stable housing, addressing broader social determinants of health.
- b. **Program Design:** Young participants, aged 16 to 26 years, having experienced homelessness within the past year, were entitled to rent subsidies for 24 months, paid directly to their landlords. The amount varied based on the location: CAD\$500 per month in Toronto, and CAD\$400 per month in St Catharines and Hamilton. The subsidy was portable, giving participants a say in their living arrangements. Those in the intervention group were paired with adult mentors, individuals at least 5 years older, offering guidance and support.
- c. **Outcome & Evaluation:** The study found that while all participants maintained housing stability 18 months into the program, there were no significant improvements in socioeconomic inclusion indicators between the mentorship group and the control group. Several factors could explain this outcome. The COVID-19 pandemic heavily impacted the study's progress, limiting in-person mentorship interactions. Moreover, the mentor pool was limited, leading to potential mismatches in mentor-mentee pairings based on race, ethnicity, and gender. Many participants joined primarily for the rent subsidies, viewing mentorship as a secondary benefit. Ultimately, many participants chose to return home and redirect the rent subsidies to support their families, indicating a potential strategy for preventing recurring homelessness.

²⁴ Alva, et al. (2023)

This program highlighted the potential benefits and limitations of portable rent subsidies, combined with mentorship for young people exiting homelessness. Despite the challenges, participants remained housed, emphasizing the effectiveness of rent subsidies. The cost-benefit analysis revealed the affordability of providing such subsidies over alternatives, like shelter stays. The study suggests looking into the role of informal mentorship and exploring rent subsidies provided directly to families as strategies for preventing homelessness. Trauma-informed, recovery-oriented approaches were also important.

3. Chicago Low Income Housing Trust Fund (CLIHTF) – Chicago, Illinois

- a. **Background:** The Chicago Low-Income Housing Trust Fund (CLIHTF) was established with a core mission to assist very low-income residents by providing affordable housing solutions within the City of Chicago. With escalating housing prices and market rent often outpacing what low-income families can afford, CLIHTF plays a crucial role in bridging the affordability gap.
- b. **Program Design:** This program offers rental assistance by forming an annual contract with property owners and managers in Chicago, specifically targeting households living at or below 30% of the AMI. This includes a wide demographic: the elderly, the working poor, veterans, individuals with disabilities, and those who are homeless or at risk of homelessness. CLIHTF focuses on property-based subsidies, entering into contracts directly with landlords. These subsidies are either deposited directly into the landlord's account or provided as quarterly checks, based on preference. Tenants receiving assistance from other federal, state, or local housing programs are deemed ineligible for the Rental Subsidy Program.

Tenants whose income surpasses 30% of the AMI, but below 50% during recertification might qualify for "Transitional Assistance" for one year, the tenant gets half the rental subsidy, paying an adjusted Tenant Contribution.

The funding comes from the City of Chicago, which allocates 50% of the fees generated by the Affordable Requirements Ordinance and Downtown Density Bonus. An additional funding source is the Illinois Rental Housing Support Program (RHSP), funded through fees collected by county recorders from real estate-related documents.

- c. **Outcome & Evaluation:** As of June 30, 2021, CLIHTF successfully allocated a sum of \$6,816,107. This funding supported rental subsidies for 2,741 units dispersed throughout Chicago, emphasizing the program's significant reach and impact on the city's housing ecosystem.

2 Local Priorities and Rental Program Review

This section outlines introductory research to understand and evaluate Alexandria’s unique housing and rental context, as well as establish guiding principles for ongoing research that aligns with Alexandria’s needs.

2.1 Focus Groups and Interviews

Researchers led four focus groups with representatives of the Senior Rental Subsidy Program, the Alexandria Redevelopment and Housing Authority Housing Choice Voucher Program (ARHA), and the Tenants and Workers Union, Economic Opportunities Commission, and the Alexandria Housing Affordability Advisory Committee (TWU/EOC/AHAAC), and lastly local affordable housing practitioners and developers, such as Wesley Housing and Housing Alexandria. An additional interview was conducted with Arlington Housing Grant staff at the Department of Housing Services.

These focus groups and the interview allowed the program staff to offer their perspectives for the local housing context. They also provided insight into how a locally funded LRSP program could be administered in Alexandria.

[Appendix 1](#) includes a brief analysis of focus groups along with their outcomes.

2.2 Community Meeting

Staff from the Office of Housing, other City departments, and the researchers organized a virtual community meeting via Zoom on December 4th, 2023. The purpose of this meeting was to introduce the purpose of the study and LRSP model, share preliminary findings, answer questions, and gather feedback from the public

The peak attendance during the meeting was 104 community members. Live interpreter channels were offered in Spanish, Arhamic, and Arabic. A significant share of attendees used the Spanish channel, indicating strong representation from the Hispanic and Latino communities. Following a presentation about the study’s background, objectives, and initial findings, most of the meeting was dedicated to addressing audience questions. Due to the audience size and multiple interpreter channels, all questions and commentary were directed to the Zoom Chat. The Zoom chat outlined the need for additional rental resources in both English and Spanish.

[Appendix 6](#) includes a qualitative analysis of the Zoom Chat, which was highly utilized during the community meeting.

2.2 Summary of Findings

Outcomes from the document and data analysis, as well as evaluation of the focus groups, interview responses, and community meeting engagement, identified the clear need for rental assistance in Alexandria. Ultimately, serving with equity in recognition of the housing disparities prevalent based on race, age, and primary language used at home arises as a top priority based on these engagements.

Focus Group Respondents

Overwhelmingly, the program staff of the focus groups want to know how to serve the most financially vulnerable people in Alexandria. Focus group respondents outlined the need to reduce displacement, decrease the chance that participants could meet a “benefits cliff” and improve affordability gaps for clients. Decreasing administrative burdens for staff and participants was also highlighted, so that the program may stay flexible and well-utilized by the folks who need it most. Staff ultimately support overall commitments to equity and serving Alexandria’s most vulnerable residents in the long run, especially Spanish speaking community members.

Researchers evaluated priorities and themes that arose from discussions, and conducted analysis based on focus group responses. Equity in service provision quickly arose throughout focus groups and the interview, as staff in all groups were concerned about how to serve the participants with the highest needs.

At a close second, concerns surrounding funding or unit availability pushing clients out of their homes or Alexandria at large outlined a general desire to avoid displacing residents or committing to eviction prevention. Related to this concern, a third theme that continually arose was the risk of creating a “benefits cliff” for participants that may no longer be able to access needed resources as a result of increased income.

Finally, concerns to avoid displacement and prevent benefits cliffs also mean that the program needs to be administratively flexible enough to serve those in need, while also not creating redundancies to properly operate the program and avoid pushing clients out the door.

This analysis informs the priorities utilized to direct research and review of LRSP programming that is reflective of the City’s written priorities, as well as Alexandria’s programmatic realities.

Community Feedback

“The rent is too high!” was an extensive refrain from community members in both English and Spanish in the community meeting. Attendees shared their personal experiences relating to their income, their rental payments, increasing utilities and fees, and the effects these payments have on the overall wellbeing of their households. Community members’ engagement with the chat

shows how impactful additional rental support would be, so that these members can stay in their communities and keep their kids in the same school districts.

Researchers conducted a brief analysis of the chat and identified several consistent themes discussed throughout the meeting:

1. There was an extremely strong presence of Spanish speakers, as mentioned above, suggesting a strong sense of urgency from demographics in Alexandria that speak Spanish at home.
2. Rapidly rising rents relative to incomes were identified as the primary barrier to affordability. Many attendees specifically identified that their rent is increasing, and were concerned about being displaced.
3. Increasing costs for utilities and apartment fees exacerbate rent increases.
4. The quality of some homes and landlords are barriers to accessing affordable housing. (Researchers note that lower housing quality can likely negatively affect the cost of utilities, especially in winter and summer months.)

This analysis affirms the priorities identified below, as well as affirming the need for further City investment in rental housing in Alexandria. In addition to affirming priorities for review and further research, these themes help support the development of program details that are directly relevant to clients who may be utilizing the funds.

2.3 Program Priorities

Priority 1: Promote Equity

Promote and/or achieve equitable outcomes, especially inclusivity among households who identify as Hispanic, Black, Indigenous, and/or persons of color, and households that primarily speak a language other than English.

Alexandria identifies “equity” as a guiding principle for City plans, resolutions, and policies. The City specifically resolved to promote equity by race, “especially residents of color and those that have been historically and systemically marginalized”, and ability (physical, intellectual, and language-based). The City acknowledges that “leading with equity” takes additional time and resources,²⁵ and as such resources for specific outreach and outcomes measurement should be included in the administration of a LRSP.

Focus group representatives identified and affirmed over again that English language ability, complicated administrative processes, and lack of familiarity with (and trust for) government

²⁵ City of Alexandria (2023). ARISE 6-Month Update.

offices is an additional barrier for underserved, vulnerable populations seeking housing assistance in Alexandria.

They explained that the ARISE program, which is administered locally by a third-party consultant, opened opportunities to work with households that had never interfaced with “government entities” before. This was affirmed in the Developer focus group again and is affirmed in the October 2021 AEPP “State of Eviction Prevention in Alexandria, VA: A Community Assessment,” which identified English language ability as a source of inequality in housing, giving examples of barriers experienced by Rent Relief Program applicants for whom English is not their first language.

The research team used 2021 ACS PUMS 5-year²⁶ data to estimate the following populations and used them to the extent possible to evaluate whether existing programs are serving households in proportion to income and cost-burden:

1. *Low-income (less than 60% of AMI²⁷), cost-burdened renters by race*
2. *Low-income, severely cost-burdened renters by race*
3. *Low-income, cost-burdened renters aged 65 or older*
4. *Low-income, severely cost-burdened renters aged 65 or older*
5. *Low-income, cost-burdened renters with a single, female householder*
6. *Low-income, severely cost-burdened renters with a single, female householder*
7. *Low-income, cost-burdened renters with household language other than English*
8. *Low-income, severely cost-burdened renters with household language other than English*

Several critical observations and recommendations emerge to prioritize groups equitably based on 1. *Racial disparities in program participation and outreach*, 2. *language barriers and housing assistance*,²⁸ 3. *and age and housing assistance*.

1. Racial Disparities in Program Participation and Outreach

- *Non-Hispanic Black households make up 38.2% of the cost-burdened renters in Alexandria with incomes at or below 60% AMI. The Senior Rent Relief Program, the ARPA Eviction Prevention Service, and the HCV demonstrate significant participation for non-Hispanic black households at 69%, 59% and 83% respectively.*
- *Hispanic households make up 23.7% of the cost-burdened households below 60% AMI in Alexandria. This group is underrepresented in the Senior Rent Relief Program (13% of*

²⁶ 2022 1-year data which is the latest available did not generate reliable estimates for many of the subpopulations listed. Therefore, VCHR used 2021 data which are the latest 5-year estimates available at the time of analysis.

²⁷ Currently, the housing programs operated in the City of Alexandria use Multifamily Tax Subsidy Projects (MTSP) Income Limits. Consequently, this analysis also applied the MTSP income limit.

²⁸ The PUMS data indicates that 26.6% of cost-burdened renters below 60% AMI are single female households. This is a significant segment of the population, however, existing programs in Alexandria do not report this data. Future efforts should not only consider gathering this data, but also ensure that programs address the unique needs and challenges of single female households.

participants) and among voucher holders (10% of voucher holders²⁹). *Hispanic households*, however, are overrepresented in the Eviction Prevention program (50% average, 2022).

- *Non-Hispanic white households* comprise 28.9% of cost-burdened renter households with incomes below 60% of AMI, and are represented proportionally across most programs. There is a stark underrepresentation in the Eviction Prevention program at only 4%.

Given the disparities in Hispanic representation across programs, there is a need to enhance intentional outreach to Hispanic households, especially those led by individuals that do not speak English at home.

2. Language Barriers and Housing Assistance

There is a large gap in serving non-English speaking renters, highlighting the need for more inclusive and linguistically diverse outreach efforts (indicated briefly above.):

- Nearly half (49.2%) of cost-burdened renters with incomes below 60% AMI use languages other than English in their household.
- Only the Eviction Prevention program appears to effectively serve this group with 60% participation by non-English speakers.
- Other programs, like the ARISE program, only reach 12% of those who speak Spanish.

The developer focus group outlined the need for their community to better serve those whose primary language is not English, but offered successful examples of interventions to utilize with families that do not speak English at home. Overall approaches that intentionally address outreach to non-English speaking households and where these communities live will ultimately result in support to all of these identified underrepresented and cost-burdened groups.

Given this data (though limited), the emphasis of City documents on language accessibility, and supporting observations from stakeholders, the study team will seek examples of LRSP that have strong levels of participation among households that speak languages other than English at home.

3. Age and Housing Assistance

The existence of the Senior Rental Subsidy program demonstrates the relative abundance of support for senior households, compared to support directed specifically to other subpopulations.

- Renters aged 65 or older make up 16.3% of cost-burdened renters with income below 60% AMI.
- The HCV program has a substantial representation of this age group at 42% among its recipients, but only 7% in its waitlist.³⁰ While the HCV program currently displays a high

²⁹ Draft of 2022-2026 Consolidated Plan.

³⁰ Since HCV holders are theoretically not cost-burdened once receiving a voucher and may hold vouchers for many years, waitlist data is important to evaluate for purposes of identifying gaps in outreach. However, waitlist data is also

representation of residents aged 65 and over, the significantly lower representation of this demographic on the waitlist is noteworthy.

- There are nearly 2,200 households with incomes below 60% AMI who are led by someone 65 or older and experience housing cost burden.

This does not necessarily mean that the needs of all senior residents are being adequately met, as focus group attendees identified the ongoing cost burden for these residents. Nonetheless, from an equity in service perspective, future subsidy programs may need to have broader age eligibility.

Priority 2: Reduce and Minimize Displacement

Place-based priorities (e.g. certain neighborhoods or other geographic designations) and LRSPs that include program flexibilities to support resident stability, minimize eviction, and avoid displacement.

The “State of Eviction Prevention in Alexandria, VA: A Community Assessment” identified gentrification and displacement as a geographic-based equity concern, and focus group participants overwhelmingly identified displacement as a result of increasing housing costs as a threat to the most vulnerable residents.³¹ Focus group representatives identified that unserved households are regularly displaced from the city to other nearby localities with more affordable housing options.

They also identified the importance of not displacing residents, and suggested that deeper subsidy and program flexibility, like allowing multiple rental subsidies for one unit or household, that support resident ability to stay in a unit are important for allowing residents to stay in the city, instead of moving outside of Alexandria to access more appropriate housing within HCV rent limitations.³²

dated and could under-represent certain populations for a variety of reasons not related to outreach (e.g. elders passing away before while on the waitlist or households that qualify for special- purpose vouchers being more likely to receive a voucher and be removed from the list). The waitlist was virtually open due to the COVID-19 pandemic.

³¹ Based on evidence from ACS PUMS, 29% of cost-burdened renter households at 60% of AMI have been living in their current home for less than a year, and 42% for less than two years. This means that less than 30% of these households have been residing in the same house for more than two years. While we do not know the specific reasons for their moves or where they are relocating to, there is a high likelihood that they are experiencing displacement and, at the very least, facing additional financial burdens due to moving costs.

Among the cost-burdened renter households at 60% AMI who have lived in their homes for less than two years, 39% are non-Hispanic white, 26% are black, and 25% are Hispanic. In contrast, among those who have lived in their homes for more than two years, 48% are black, 23% are Hispanic, and 22% are non-Hispanic white. This reveals concerns about racial segregation, suggesting that if the current trend continues, we might see black households becoming isolated in certain areas.

³² ARHA staff explained that small area fair market rents allowed them to qualify applicants for higher assistance amounts, something they identified was necessary due to the higher cost of living.

Future displacement is at its greatest risk in Alexandria West/Beauregard³³ and Arlandria-Chirilagua.³⁴ The City has adopted equity-focused approaches to small-area planning, online and in-person engagement in Alexandria West/Beauregard,³⁵ and Spanish-first engagement in Arlandria-Chirilagua:

- The Arlandria-Chirilagua small-area plan identified the need for deep housing affordability to serve households with incomes up to 40% of AMI/\$50,000 as critical to avoiding displacement and retaining cultural diversity.

The Consolidated Plan, the eviction prevention report, and the Age Friendly Community plan all identified the root of housing challenges as the lack of supply of affordable, attainable housing, with the loss of affordable units and the limited ability of the city to systematically affect rents. The developer focus group outlined the need to make compliance with programming extremely clear, to avoid the need for these programs to evict clients.

With a rental vacancy rate greater than 5% over the past ten years,³⁶ rental subsidy will deepen affordability and avoid displacement, as well as effectively increase the number of attainable rental units. Focus group representatives suggested that direct payments to families, or subsidy-use in committed-affordable units can help avoid predatory landlord responses to supplemental subsidy.

Priority 3: Close Affordability Gaps and Avoid Cliffs

Avoid benefits cliffs, which can lead to displacement, especially in the context of an existing benefits gap, which shows the need for rental assistance.

Benefits gaps (not enough subsidy to make housing affordable) and cliffs (potential to lose benefits even though affordability has not been achieved) have been identified as a challenge by both staff and documents provided by staff.

DCHS staff who administer the Senior Rental Subsidy explained that the program does not provide enough funding to individual households to make recipients' housing truly affordable for program participants. These focus group respondents identified that the program can work as a

³³ <https://www.alexandriava.gov/AlexandriaWest>

³⁴ <https://www.alexandriava.gov/small-area-plans/el-proceso-del-plan-de-area-pequena-de-arlandria-chirilagua-arlandria-chirilagua>

³⁵ Engagement and planning for Alexandria West/Beauregard is ongoing. A plan and associated recommendations have not yet been adopted.

³⁶ 2013 Q1 through 2023 Q3.

“bridge”³⁷ to more substantial housing assistance, such as access to a HCV or a PBV unit, however, the length of time to receive a voucher or affordable/ eligible unit can be substantial.³⁸

An ARISE preliminary evaluation document discussed the ability to pair ARISE payments with other sources of support, and thereby deepen housing affordability as a distinct advantage of the program. Focus group participants affirmed the importance of the ARISE payments in supplementing housing affordability and reducing benefits gaps, as a huge advantage for clients in the program, as HCV recipients can utilize ARISE without losing access to their voucher.

DCHS also identified Senior Rental Subsidy participants experiencing benefits cliffs in the case of earning/receiving or losing additional income. Senior participants lose their City subsidy if they increase their income too much or lose their income. This was identified as an issue with the Arlington Housing Grant program, as all participants must have earned income to receive the grant. Program flexibilities, such as not recertifying annually³⁹ can help ameliorate these types of cliffs, which lead to resident displacement, and can reduce administrative burden to staff.

Priority 4: Minimize Administrative Burden for Participants and Staff

Reduced administrative burdens for staff and participants, particularly administrative elements that discourage applications, on-going participation, or remove subsidy despite ongoing need.

The ease of administration for the program, both for staff and participants, is important to increasing the housing stability of clients. All focus groups posed suggestions or examples of administrative burden resulting in a barrier for service delivery or successful client outcomes.

Senior Rental Subsidy Program and Developer representatives shared that cash payment for rent made to the tenant can be a barrier for both staff time, as well as client outcomes. Some clients would like the payments to be sent directly to the landlord or property manager, while others like the more flexible application of a cash payment

Staff suggested direct ACH payments would assist with ensuring rental payments are made, but noted that some clients use these payments for food or prescriptions. Checks also go missing and delay timely rent payments, adding time spent for staff chasing the mail and working with landlords to reduce late fees. The Developer focus group overwhelmingly felt that payments made to landlords were best for stability of the households served, and easiest for administration of funds.

³⁷ Staff mentioned the Fairfax County Bridging Affordability program for households experiencing homelessness. This program assistance is temporary while recipients wait for a voucher.

³⁸ ARHA staff reported that the waitlist for Housing Choice Vouchers is currently 12,000 people and that the waitlist for ARHA-owned properties is long. These waitlists open infrequently.

³⁹ Fairfax County moved away from annual recertification through MTW to reduce staff burden and ameliorate benefits cliff issues.

AHAAC/TWU/EOC focus group representatives expressed the desire to have participants “graduate” from the program to other private rental options. However, ARHA staff suggested that too many requirements or complicated processes could inhibit the usefulness of a supplemental rent program. Additionally, the administrative burden of managing the extensive waitlist for voucher-based housing was described as a barrier in supporting the City’s most vulnerable households. The Developer focus group reinforced the need to maintain clear roles and responsibilities for landlords, tenants, and the City with additional rental subsidies involved.

Other focus group respondents described the ease of applying for the ARISE program resulting in favorable participation outcomes. The success of the ARISE program, which is administered by a third-party consultant, gave TWU and EOC the opportunity to work with households they had never interfaced with before, such as households whose primary language is not English. The focus group participants suggested that a nonprofit or other third-party administrator of a future LRSP program may be able to broaden access to the program and services.

3 National Review of Current LRSPs

While long-standing LRSPs are uncommon across the United States, a little over a dozen communities were identified as having operational programs. This section outlines pertinent elements of these programs to consider.

3.1 Program Census

Using the previously reviewed literature, practitioner interviews, and online searches, a total of 15 LRSPs in the United States and Canada were identified.

A full matrix of these programs and their attributes is included in [Appendix 4](#).

Census Methodology

The National Low Income Housing Coalition (NLIHC) operates a database of state and local rental housing programs throughout the United States.⁴⁰ For 2023, NLIHC identified 353 active rental housing programs consisting of tenant- and project-based rental assistance, capital resources, tenant tax relief, or a combination of these programs.⁴¹

Irrelevant rental programs were eliminated from the starting census, starting with 353 active rental housing programs. Rental housing programs focusing exclusively on capital resources, tenant tax relief, or a combination ($n=241$) were excluded from the census. This left 117 tenant- and project-based programs remaining to evaluate as potential local rental subsidy programs.

From the 117 tenant- and project-based programs, the following program and funding types were eliminated⁴² to narrow in on and properly identify **local** rental subsidy programs that provide supplemental rental subsidy:

- Emergency response or short term eviction prevention funding
- Homeless services, including permanent supportive housing, transitional housing assistance, rapid rehousing, etc.
- Youth transitional or foster care programming
- Short term/one time rental assistance programs
- Relocation assistance
- COVID rental arrears assistance

⁴⁰ National Low Income Housing Coalition - Rental Housing Database:

https://nlihc.org/rental-programs?state=242181&program_type=All&income_elig=All&items_per_page=10

⁴¹ National Low Income Housing Coalition - 2023 A SUMMARY OF FINDINGS FROM THE 2023 RENTAL HOUSING PROGRAMS DATABASE,

<https://nlihc.org/sites/default/files/2023-10/state-and-local-investments-rental-housing-report.pdf>

⁴² Researchers kept information from these programs available and to pull examples from, as the origins of LRSP are from other subsidy programs.

- State-based rental subsidy programs, state or federal funding made available to a referring program
- State housing trust fund grant/loan programs
- Public housing authority rental assistance programs, including exclusively Housing Choice Vouchers, Section 8, or project-based programming

Fifteen programs ($n=15$) remained for final website content analysis and interviews. The remaining 15 LRSPs are categorized as such by evidence of a housing subsidy that supplements a household's monthly rent payment. The funding is provided on an extended timeline—longer than three months of support, but not as lengthy as a housing choice voucher. This subsidy can be paid to the tenant directly or to the landlord, but ultimately is meant to reduce the rental cost burden for low-income residents.

For the content analysis of program websites and the corresponding follow up interviews, researchers developed additional protocols to evaluate quantitative and qualitative information based on the City's priorities. As outlined in the [Appendix 3](#), the program census tracks information including but not limited to, tenant or landlord eligibility criteria, availability of languages other than English, funding amounts to tenants, programmatic financing mechanisms, and administrative innovations.

Census Outcomes

Not all LRSP programs ($n=15$) clearly and concisely made their details readily available. As LRSP is a relatively new phenomenon, gaining popularity following the COVID housing crisis, unfortunately, there are still gaps in the census. This scope of this census reflects the best faith effort to identify and collect information on every operational LRSP given the limited time available.

The following analysis applies to the 15 programs analyzed, unless noted otherwise:

1. Administrative Structure

Every program reviewed is administered by a local government, either directly through a department, or through a semi-governmental entity controlled by the municipality. Total program funding levels range from a few million dollars (Arlington County Housing Grants) to well over \$1 billion (Canada-Ontario Housing Benefit); however, only a handful of programs provided complete financial information.

About half of all programs operate with supporting or partnering organizations, which often provide additional funding and staff capacity. While only two programs have an official policy to advance racial equity, these partner organizations can leverage publicly-administered programs to support their own commitments to alleviate racial disparities in housing.

2. Subsidy Characteristics

Tenant-based subsidy is awarded with little to no geographic restriction on where the tenant can live, while project-based subsidy is tied directly to a unit or building. Two LRSPs in the sample are able to offer both tenant and project based options, but the vast majority (12) offer a tenant-based subsidy that follows the tenant within the locality.

A slight majority of programs pay based on the difference between the market rent and 30% of the tenant's income, a similar structure as the Housing Choice Voucher. Alternatively, seven programs offer a set cash amount, a median \$500 in support per month. These payments are typically made directly to the landlord versus the five programs that make payments directly to the tenant. The payments to tenants range from simple checks to as in-depth as cash deposits in designated bank accounts.

3. Participant Criteria

Who can access LRSP funding ranges throughout all of the programs, but all are income-limited to support low-income and rent-burdened households. The majority of programs income-qualify with Area Median Income (AMI) at median maximum AMI of 40 percent, with 60 percent of programs outlining housed status or the risk of and prevention of homelessness as a participant-qualifier.

Language-spoken, ethnicity, and country of origin were not common criteria for participants, with only a few programs even demonstrating readily available Spanish language materials. However, Toronto, Canada's program does identify migrant/refugee status and indigenous ethnic origins as participant criteria.

4. Program Coordination

"Recertification" is a process that requires tenants, landlords, or applicants to send in new, current proof of income, employment, etc. On average, tenants can use the LRSP for 13.5 months before needing to recertify. Overall, a majority of participants can use the subsidy for a little less than 3 years (33 months) on average. Portland, Oregon's program has no maximum use limit.

As many LRSPs are a part of coordinated entry or are housed within a larger social services network, and have the capacity to refer applicants to resources or conduct additional outreach for the program itself. Surprisingly, less than half the LRSPs have required conditions for participation like training, employment, or case management.

3.2 Program Interviews

Researchers interviewed three different LRSPs in November and December of 2024 to supplement the information gathered for the program census. These particular programs, Chicago

Low-Income Housing Trust Fund, DC Flex, and North Miami, were selected because their design aligns with the City priorities described in [Section 2.3](#) and could offer varied insights for program design and recommendation.

Chicago Low-Income Housing Trust Fund – Rental Subsidy Program

Interview with Annissa Lambirth-Garrett, Executive Director, CLIHTF

CLIHTF was set up as a quasi-governmental organization exclusively to administer the Rental Subsidy Program (RSP). Program funding is consistent through income gained from recording fees and other special set-asides that are built into the City of Chicago and Cook County budgets.

RSP intentionally only serves households with incomes below 30% AMI and covers the amount of rent that exceeds 30% of household income. RSP has low administrative burden—the program does not conduct its own income certifications or other tenant-centered interactions. Most administrative time is spent recruiting and marketing to landlords. If a participating tenant’s income exceeds 35% AMI, they are granted one final year of assistance before they must exit the program. Legal residence is not a program requirement.

Landlords identify eligible tenants and work with CLIHTF to set up quarterly rental subsidy payments. Assistance is sent quarterly to each landlord directly. This lowers risk of nonpayment by the tenant, and was designed as a way to reduce eviction risks. Payments cover the succeeding quarter up front. In the case of an eviction, the program will still pay for the unit.

Important Takeaways

- Working directly with landlords can reduce administrative burdens for both staff and recipients.
- A permanent source of program funding makes it easier to strategically project overall capacity to serve, reducing the chances that households could lose assistance if funds decline. This prioritizes stability of the program, reducing displacement.
- Core program objectives must inform how assistance is structured and allocated. For example, while providing direct cash payments to tenants can significantly improve their overall financial position, it is not a guarantee against homelessness. Eviction is still possible with direct cash payments.

District of Columbia Department of Human Services – DC Flex

Interview with Noah Abraham, Deputy Administrator, D.C. Department of Human Services Family Services Administration. D.C. currently operates three relevant programs: the Local Rent Supplement Program (LRSP), the Targeted Affordable Housing (TAH), and the D.C. Flexible Rental Subsidy Program (DC Flex). This interview primarily focused on DC Flex.

DC Flex was created to serve families who were not yet homeless or in supportive housing services, but whose low incomes posed a serious risk to their housing stability. Staff are currently working to “exit” the program’s first five-year cohort of 125 households, with another recent round of funding supporting 500 new households to the program. Families must have at least one child and one working adult to be eligible, with the new program allowing working singles to apply, as well. Legal residence is not a program requirement.

Participating families were originally awarded \$7,200 annually to apply to rent at their own discretion from a checking account and escrow account that holds the entire balance. The upcoming cohort will receive \$8,400 for families and \$7,200 for singles, with income limits now at 40% AMI to align with other homeless service programs. Program administrators transfer funds, as needed, into the checking account each month, allowing the program to remain invisible to landlords and allowing the subsidy to be used at the tenant’s discretion.

The subsidy amount is fixed and does not change based on the family’s size, income, or rent amount. Each year, participants must attend two sessions with a financial coach, and one additional financial management class.

Important Takeaways

- Unlike CLIHTE, DC Flex administrators remain “invisible” to landlords. This is intentional to reduce the likelihood that landlords will raise rents once they know a household is enrolled in the program.
- Establishing bank accounts that each family can access makes them feel more autonomous and in control of their finances. Many have started their own savings accounts as a result.
- While DC Flex was designed to have limited case management for each family, expanding services to help increase the number of participants who remain steadily employed might be necessary. About 45% of the first cohort members are unemployed approaching the end of their 5-year subsidy period.

City of North Miami Housing and Social Services Department – HOME-ARP Tenant-Based Rental Assistance Program

Interview with Alberte Bazile, Director of Housing and Social Services, City of North Miami.

The program provides rental assistance for at least 3, but no more than 24 months and covers the difference between 30% of the household’s income and the monthly rent amount. Participants can also receive assistance for security deposits and utility deposits. Approximately 50 participants have received more than \$800,000 in assistance.

Eligibility is limited to households with incomes below 60% AMI, who have an active one-year lease and who are either homeless, at risk of becoming homeless, fleeing domestic violence or

trafficking, or in another situation where housing stability is threatened. Because the program is funded by HOME ARP dollars, undocumented renters cannot be served.

Administrators made referrals to third-party non-profit organizations for other services, such as workforce development, but these were not funded by the program, and were not regularly used by participants.

Important Takeaways

- Initial program guidelines should be brief and simple. Amending program elements is inevitable as funding sources and needs change over the course of the program.
- Staff continuity and administrative transparency are necessary to ensure clients are not confused or misinformed at any point.
- Federal funding also required a reimbursement arrangement for expenses other than those paid to the landlord; this was not communicated effectively to clients at the beginning.
- Facilitating payments between tenants and landlords led to program administrators becoming “middle men” in challenging situations, such as when renters complained about maintenance issues.

4 Program Design Elements

Based on the identified priorities, staff and community input, and the review of national programs, this section outlines some critical program design elements for a potential LRSP in Alexandria. On their own, these takeaways are not wholly sufficient guidance for the City to fully develop a new program, but they will inform the recommended next steps at the end of this report.

4.1 Funding

Avoid *ad hoc* funding allocations. Local Rental Subsidy Program initiatives are often quite limited at the local level. The prevalence of emergency-response type programs suggests that many rental subsidy initiatives were repurposed during the pandemic. Perhaps as a result, many LRSPs have been unable to continuously meet client needs—or have outright ended—due to volatile funding inputs.

The most successfully funded programs have at least one consistent funding source, codified by ordinance, like those located in Chicago or Portland. Alexandria should explore a range of permanent funding source options to ensure the longevity of its program. Consistent income sources that protect the longevity of the program will help adhere to the priorities of this study to avoid displacement. This may entail an act or resolution by Council to ensure consistency of funding.

4.2 Household Eligibility

Focus on the financially vulnerable with barriers to accessing services. Subsidies often prioritize specific low-income populations, ensuring that the most economically vulnerable receive the necessary support to maintain stable housing. There is a recurring focus on subsets of the population, such as the unhoused, elderly, people with disabilities, veterans, and survivors of domestic violence. Most LRSPs have a significant emphasis on populations experiencing or at risk of homelessness.

Income eligibility for most programs targets very low-income households, typically defined as those with incomes at or below 40% of the Area Median Income (AMI). Often programs operate out of homeless services or departments of social services, providing access to an operational central system that can facilitate needed referrals and program outreach, as well.

Like the majority of programs analyzed, and based on Alexandria's commitments to equity, Alexandria should consider focusing on extremely low-income households, particularly those at risk of homelessness or displacement; those with disabilities or aging concerns; Hispanic and Latino households; and those whose primary language is not English. It may seem impossible to serve households based on specific demographics, like ethnicity, like is outlined for Toronto,

Canada's program. The City could identify specific geographies with high proportions of marginalized communities to better serve the most financially vulnerable while still maintaining a commitment to equity.

Furthermore, if no federal funds will be used, Alexandria should not make assistance dependent on legal residency status. Many programs reviewed cited flexibility on residency status as a critical and valuable part of their program. Additionally, to further support households new to the United States or those who are or formally were homeless, who are more likely to be cash-based households, the City could avoid eligibility criteria that require verification of income. Employment may still be a requirement to consider, but proof of income can be difficult to get when only working with cash.

City staff will use a community engagement and public deliberation process to make informed decisions on income, residency, and other key program criteria.

4.3 Subsidy Structure

Streamline subsidy payments to reduce administrative burden. The vast majority of the LRSPs in the sample are tenant-based, with monthly payments sent directly to the landlord. Administrators must income-qualify each household, certify applications and employment, approve leases, including other case management work, in addition to conducting unit inspections or monitoring and evaluating the success of the participants. Tenant-based programs require a high level of administrative burden to operate.

The DC Flex program has the most flexibility for subsidy payments in the sample, but has the highest estimated administrative burden. Monthly payments are made to a checking account established in the tenant's name from an escrow account, all of which are established, monitored, and adjusted each month for each household in the program. Then banking relationships for these accounts are managed by the program administrators. DC Flex also requires an orientation for participants, with monthly financial coaching sessions, as well as classes, along with an employment requirement as a condition of participation. While the program provides the most financial autonomy to tenant-participants, which has valuable merits, both households and staff involved must dedicate considerable time and funding to operate the program.

Project-landlord-based programs, where a specific unit or building is directly subsidized and payment is made to the landlord, demonstrate lower staff burden than tenant-based programs. Certain administrative tasks, like income-qualification and tenant selection, can be passed on to the landlord. Not all units in a building owned by a participating landlord must be subsidized and participating landlords can be paid quarterly in lump sum payments for the forthcoming quarter.

Project-landlord-based programs **do** have the administrative expense for City staff to recruit and orient landlords to join the program. The program administrators conduct audits with the landlord

and units to ensure compliance and quality of the housing. They may even need to keep leases on file and send payments to the landlords. Project-landlord-based programs otherwise have very little administrative burden to account for.

Streamline the subsidy to maximize participant outcomes. Paying directly to the landlord on a per unit basis has other benefits that can support tenants in accessing other benefits they could qualify for. Downstream benefits of simple subsidy structures to the landlord's unit means that LRSP households are less likely to be evicted and more likely to stay in their quality, affordable units. By avoiding cash payments to tenants and frequent recertification checks, tenants can more seamlessly access programming and landlords can remain paid, ideal program outcomes based on City priorities.

In addition to the administrative burden, cash payments to tenants could affect a tenant's maximum allowable income for other programming. As a result, these clients can access additional needed services like medicaid or utilities grants, or they may even be able to seek out higher income employment without the risk of losing their benefits or having to move. The need to consistently recertify tenant eligibility, can be burdensome for both staff and participants, as described, but can preemptively cut-short a household's progress. These flexibilities were cited as favorable to clients in evaluations of the DC Flex pilot, which does recertify but allows up to a year for households to find employment.

Furthermore, offering long term leases (2 or more years) or extending the minimum subsidy period allows the program households to stay in stable housing for a longer time period. For example, some programs do not recertify until the end of the household's second year in the program. Outlining a long-term lease structure with landlords in a project-landlord-based program would prevent annual rent increases from displacing tenants that would otherwise like to stay in their affordable unit.

4.4 Program Administration

Start simple for access. In preliminary focus groups and program interviews, City-agency-based programs acknowledged that relying on the City's existing social-services infrastructure as the point of entry can be off-putting or create barriers to access, especially for the formerly homeless or those who do not speak English at home.

Coordinated entry systems can also complicate LRSP program administration. For example, DC Flex is administered through the City's homeless services department, which manages more generous benefit programs than DC Flex itself. Upon admission to the coordinated entry system and then the lottery system, some otherwise eligible households for DC Flex opted to not use DC Flex funding for the potential to enroll in more benefit-rich programs. This created delays in full utilization of the starting DC Flex pilot. Eventually these programs were fully subscribed and

utilized, with a very limited scope compared to the possible eligible pool of applicants at the outset of the program.

Choosing the path of least resistance to serving LRSP will provide clarity to all involved, preventing confusion between staff, clients, and landlords who may look to the City to alleviate their problems. Creating straightforward eligibility criteria and payment processes will preemptively reduce administrative overhead, making it easier for tenants to access programming and remain housed. This does not preclude administrators' roles incrementally expanding as the program matures, especially if richer case management would be beneficial. The City can explore whether standing up a separate agency or contracting some or all operations to a nonprofit or community organization would result in serving more Alexandrians who are not otherwise served.

Staff accordingly. Staff ratio information is not readily available, however program interview respondents provided staffing information. Staffing for each program varies. North Miami's program serves 50 clients, with a budget of \$800,000, and only has one, dedicated full-time staff person. Washington DC's Flex program serves 500 families, with a \$5M budget, and has 1.5 FTE positions. Alternatively, Chicago's program relies on 28 staff members to serve 3,200 units with an annual budget of \$20M.

4.5 Coordination

Coordinate, don't duplicate. Integrating other services can increase program efficacy. The provision of ancillary services, such as case management, workforce development, and financial counseling, points to an integrated approach to housing assistance. This methodology, in addition to the participants served, indicates a recognition that financial aid alone may not suffice to achieve long-term housing stability for certain demographics. Additionally, many programs consider themselves "temporary" assistance for households, with the ultimate goal for households to increase their incomes over time and transition out of the program.

Program design should include input from relevant City departments, nonprofit service providers, and housing providers early and often. Especially with a tenant-based program, administrators should be familiar with the range of programs available for applicants for proper referrals. Rather than stand up new options, or hiring new staff, the City should first proactively establish referral mechanisms to existing support services offered either by other departments or by outside organizations. These services can be made optional, and available and easily accessible to those who do not speak English at home, primarily in Spanish. Funding can be made to referral organizations on a fee for service basis to reduce the burden of tracking clients, while still offering flexibility and resources.

4.6 Outreach and Accessibility

Keep applicant experiences the same regardless of language spoken. Support for multiple languages and multicultural outreach is rare but necessary for diverse populations. The data suggests that accessing programs can be challenging, particularly for individuals facing English language barriers. To overcome barriers to access, especially for non-English speakers, Alexandria should ensure that program information is widely available in multiple languages, and promoted through outreach channels across different cultural communities.

The provision of information in multiple languages is a significant step towards inclusivity, but may not be sufficient for actually accessing these services. Culturally relevant, effective outreach efforts are essential to ensure that all eligible individuals are aware of and can access the support they offer. As few programs demonstrated commitments to service provision in other languages, especially in Spanish, we can rely on coordinated entry or neighborhood outreach efforts as examples to promote trust amongst populations that may not often utilize government based programs and use another language than English at home.

Spanish-speaking staff should be engaged to support Hispanic and Latino households, as this community is underrepresented in current housing programming but had a significant presence at the community meeting. A geographically focused program, for example prioritized for units located in LMI census tracts, high Spanish-speaking areas, or specific neighborhoods, like Arlandia, could assist non-native English speakers in accessing programming and units. The LRSP could set up an office in the geography chosen so that tenants can build trust and access materials in their native language.

4.7 Monitoring and Evaluation

Set and track objectives to measure success. Implementing a robust monitoring and evaluation framework will help assess the effectiveness of the program and allow for data-driven adjustments as necessary. These goals can address both *outputs* (e.g. households served, funding distributed, number of participating landlords) and *outcomes* (e.g. whether eviction cases decreased) to measure program operations and greater program impact. Individual or tenant-based outcomes and outputs may be avoided to reduce administrative burdens to collect and report on this information for City staff.

5 Scenario Modeling

To provide City staff with more specific exploratory program options, this section outlines three projected scenarios for different LRSP models in Alexandria. These projections estimate either an annual funding requirement or number of households served, given a set of program design standards and assumptions about the clients served.

5.1 Methodology

The full methods, including all intermediate calculations, are outlined in [Appendix 7](#).

Income limits

The models use HUD’s FY 2023 Multifamily Tax Subsidy Projects (MTSP) Income Limits for Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area. These are the official income limits used to determine eligibility for LIHTC projects and other affordable multifamily properties financed by tax-exempt bonds.

While the MTSP limits differ slightly from the standard income limits used for Housing Choice Vouchers, public housing, and other HUD-supported assistance programs, they are used in this context because they publish limits for a greater range of AMI levels, including 40% AMI and 60% AMI. The City of Alexandria generally uses MTSP limits for its housing programs.

HUD FY 2023 Multifamily Tax Subsidy Projects income limits

Household income limits and affordable **rents** by AMI and household size

30% AMI			40% AMI		
1 person	\$31,650	\$791	1 person	\$42,200	\$1,055
2 person	\$36,180	\$904	2 person	\$48,240	\$1,206
3 person	\$40,710	\$1,018	3 person	\$54,280	\$1,357
4 person	\$45,210	\$1,130	4 person	\$60,280	\$1,507
5 person	\$48,840	\$1,221	5 person	\$65,210	\$1,630
6 person	\$52,470	\$1,312	6 person	\$69,960	\$1,749
50% AMI			60% AMI		
1 person	\$52,750	\$1,319	1 person	\$63,300	\$1,582
2 person	\$60,300	\$1,508	2 person	\$72,660	\$1,816
3 person	\$67,850	\$1,696	3 person	\$81,420	\$2,036
4 person	\$75,350	\$1,884	4 person	\$90,240	\$2,256
5 person	\$81,400	\$2,035	5 person	\$97,460	\$2,436
6 person	\$87,450	\$2,186	6 person	\$104,940	\$2,624

Source: HUD FY 2023 MTSP Income Limits for Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area

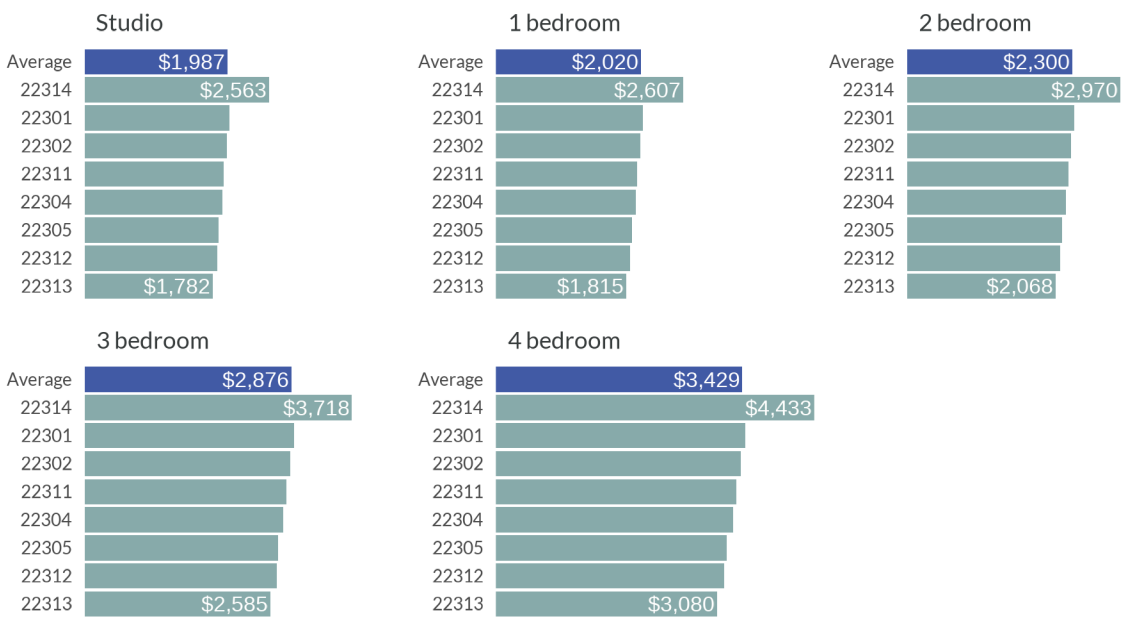
Fair Market Rents

Models where the rent subsidy is calculated based on Fair Market Rents (FMR) use the current Small Area Fair Market Rents (SAFMR) adopted by the Alexandria Redevelopment and Housing Authority for 2023. SAFMRs are provided by ZIP code.

While actual subsidy amounts will depend on the ZIP code where the tenant lives, models will use the average values (by unit size) across all ZIP codes. This is a simplification to avoid making assumptions about the geographic distribution of participating households.

ARHA 2023 Payment Standards

Based on HUD FY 2023 Small Area Fair Market Rents (SAFMR) by ZIP code and unit size



Source: Alexandria Redevelopment and Housing Authority, "Proposed Payment Standard 2023"

5.2 Scenario A – Reduce Cost Burden for 30% to 50% AMI Households

This scenario outlines a LRSP with a total annual allocation of \$500,000. The primary goal is reducing housing cost burden among households with incomes between 30% and 50% AMI. Unlike traditional subsidies that cover the difference between affordable rent and actual rent, this scenario explores creating a modest cushion for households closer to 50% AMI by subsidizing rents to 40% AMI. This scenario recognizes that housing cost burden for households would be reduced, rather than eliminated. The model uses the following inputs to estimate the number of households that can be served.

Scenario A Assumptions

Variable	Input
<i>Total program budget</i>	\$500,000
<i>Eligibility</i>	Household income 30% to 50% AMI
<i>Subsidy amount</i>	Difference between the affordable monthly rent at 60% AMI and the affordable monthly rent at 40% AMI
<i>Distribution of household sizes among participants</i>	15% - 1-person 15% - 2-person 20% - 3-person 20% - 4-person 20% - 5-person 10% - 6-person
<i>Administrative overhead</i>	15% of total program budget

Other assumptions:

- No other client-eligibility conditions apply.
- “Affordable monthly rent” is 30% of gross household income at 40% and 60% AMI.
- The subsidy calculated for each household is respective to their household size. No assumed breakdown of households by AMI is needed.
- The administrative overhead includes housing-specific case management, and is not assumed to cover comprehensive legal counseling, workforce development, and health care counseling, etc.

Scenario A Results

Household size	Annual Cost	Households served
1 person	\$47,706	8
2 person	\$55,213	8
3 person	\$81,817	10
4 person	\$90,318	10
5 person	\$97,221	10
6 person	\$52,726	5
Total	\$425,000	51

Average annual program cost per household: **\$9,804**

Under Scenario A, a total program budget of \$500,000 with a 15% administrative overhead leaves \$425,000 to fund rental assistance. Given the assumed household distributions by household size, the total number of households served is 51 for one year.

5.3 Scenario B – Stabilize Unhoused Persons

This scenario outlines a LRSP serving a total of 150 households experiencing housing insecurity. The primary goal of the program is to provide deep rental assistance to help these households achieve housing stability and avoid homelessness. The model assumes households served are living at 30% AMI and below, based on housing status, but does not assume income-verification in the administrative costs. The following inputs are used to estimate the annual program cost required to serve 150 households facing housing instability.

Scenario B Assumptions

Variable	Input
<i>Total households served</i>	150
<i>Eligibility</i>	Household/individual determined to be homeless in City's annual Point-in-Time count
<i>Subsidy amount</i>	Difference between the affordable monthly rent at 60% AMI and household's current affordable monthly rent
<i>Distribution of household types among participants</i>	2/3 - Single-person 1/3 - Household with children
<i>Distribution of unit sizes among participants</i>	2/3 - Studios 1/3 - 2-bedroom
<i>Distribution of incomes among participants</i>	50% - SSI income 50% - \$1,500 per month
<i>Administrative overhead</i>	20% of total program budget

Other assumptions:

- No other client-eligibility conditions apply.
- "Affordable monthly rent" is considered to be 30% of gross household income for those who have or are experiencing housing instability.
- The subsidy calculated for each household is respective to their household size.
- The administrative overhead is higher than Scenario A to accommodate for more intensive case management requirements for persons experiencing homelessness.

Scenario B Results

Income source	Household size	Households served	Estimated Annual Cost	
			Rental assistance	Overhead included
SSI	2 person	50	\$779,760	\$974,700
	3 person	13	\$239,242	\$299,052
	4 person	6	\$126,187	\$157,734
	4 person	6	\$142,063	\$177,579
\$1,500/mo	1 person	50	\$679,500	\$849,375
	2 person	13	\$213,174	\$266,468
	3 person	6	\$114,156	\$142,695
	4 person	6	\$130,032	\$162,540
Total		150	\$2,424,114	\$3,030,143

Average annual program cost per household: **\$20,201**

Under Scenario B, a total of 150 households experiencing housing insecurity are served. Although two-thirds are individuals who have lower housing costs than households with children, the average cost per household is over twice that of Scenario A, due to the deep level of subsidy provided. The estimated annual cost for the rental assistance alone is \$2,424,114. Coupled with a higher administrative overhead for expanded case management (20%), the total projected funding required is \$3,030,143.

5.4 Scenario C – Reduce Severe Cost Burden for Lower-Income Working Families

This scenario outlines a LRSP with a total annual allocation of \$500,000. The primary goal of the program is to reduce housing cost burden among employed households with incomes between 30% and 50% AMI. Households must have one working adult and one or more dependent. The model uses the following inputs to estimate the number of households served.

Scenario C Assumptions

Variable	Input
<i>Total program budget</i>	\$500,000
<i>Eligibility</i>	Household income 30% to 50% AMI At least one working adult At least one dependent
<i>Subsidy amount</i>	Difference between the SAFMR and 40% of gross household income
<i>Distribution of household sizes among participants</i>	15% - 2-person 25% - 3-person 25% - 4-person 25% - 5-person 10% - 6-person
<i>Distribution of incomes among participants</i>	25% - 30% AMI 50% - 40% AMI 25% - 50% AMI
<i>Administrative overhead</i>	15% of total program budget

Other assumptions:

- SAFMR refers to the Small Area Fair Market Rent as adopted by Alexandria Redevelopment and Housing Authority (ARHA) for 2023.
- The affordable monthly rent is 40% of gross household income, not the standard 30% used in the first two scenarios.
- The subsidy calculated for each household is respective to their household size.
- Families will only occupy 1-bedroom, 2-bedroom, or 3-bedroom units.
- The administrative overhead includes housing-specific case management with additional workforce counseling for the employment requirement.

Scenario C Results

Income	Household size	Annual Cost	Households served
30% AMI	2 person	\$31,808	3
	3 person	\$60,334	6
	4 person	\$33,734	3
	5 person	\$29,906	2
	6 person	\$32,694	2
40% AMI	2 person	\$28,559	6
	3 person	\$52,888	10
	4 person	\$28,238	8
	5 person	\$46,076	5
	6 person	\$31,577	5
50% AMI	4 person	\$29,437	7
	4 person	\$19,748	10
Total		\$425,000	67

Average annual program cost per household: **\$7,463**

Under Scenario C, a total program budget of \$500,000 with a 15% administrative overhead leaves \$425,000 to fund rental assistance. Given the assumed household distributions by AMI, unit size, and household size, the total number of households served is 67.

Some affordable rents exceed FMRs. Due to the higher tenant contribution (40% of income), the affordable rents for five household types in Scenario C are within \$50 of (or above) the applicable FMR:

- 50% AMI, 2-person, 1-bedroom (affordable rent \$9.88 below FMR)
- 50% AMI, 3-person, 1-bedroom (affordable rent \$241.79 above FMR)
- 50% AMI, 3-person, 2-bedroom (affordable rent \$38.71 below FMR)
- 50% AMI, 4-person, 2-bedroom (affordable rent \$211.29 above FMR)
- 50% AMI, 6-person, 3-bedroom (affordable rent \$38.50 above FMR)

While technically eligible, these household types were excluded from the model because their subsidies would be minimal or negative. Their respective shares were redistributed across all other household types.

6 Potential LRSP Approach

This section outlines possible recommendations that outline typical LRSP structures and offer specific guidance for a potential “project-based/landlord payment” LRSP in Alexandria. These strategies are anchored on all the analysis and research completed to date, including the scenario modeling results. This section will also guide City staff and leadership on the appropriate steps for creating a possible LRSP informed through prior sections, as well as these specific recommendations.

6.1 LRSP Subsidy Structures

Of the LRSP subsidies reviewed in this study, four primary LRSP structures arise amongst ongoing programming nationwide: *tenant-based versus project-based subsidy*, and *tenant-cash payment versus landlord-cash payment*. Successful versions of each subsidy type are in operation around the country, as evidenced in the program census, and Alexandria’s current operational tenant-based and project-based subsidies:

1. **Project-based/landlord payment:** The *specific unit* itself is subsidized and does not “follow” the tenant if they move. New tenants will qualify for subsidy if they move into the unit. The *landlord is paid* directly for the rental subsidy and the tenant contributes the remaining rental allocation to the landlord from their own income.
2. **Tenant-based/landlord payment:** The specific *tenant-household* is subsidized based on their eligibility criteria for the LRSP, based on qualifying information such as household income, program type, or client experience, etc. This subsidy follows this household if the tenant moves. The *landlord is paid* directly for the rental subsidy, no matter which unit the tenant household lives in. The tenant then pays the landlord the remaining rental allocation from their own income.
3. **Project-based/tenant payment:** The *specific unit* itself is subsidized and does not “follow” the tenant if they move. New tenants will qualify for subsidy if they move into the same unit. The *tenant is paid* directly for the rental subsidy, which supplements their income to pay the rent to the landlord. If the tenant moves away from the unit, they will no longer receive the rental assistance.
4. **Tenant-based/tenant payment:** The specific *tenant-household* is subsidized. This subsidy follows this household if the tenant moves. The *tenant is paid* directly for the rental subsidy, which supplements their income to pay the rent to the landlord, no matter where they live. If the tenant moves away from the unit, they will still receive their subsidy.

[Appendix 8](#) analyzes each LRSP program structural approach based on its abilities to fulfill Alexandria’s goals of addressing equity, preventing displacement, reducing benefits gaps or cliffs, and minimizing administrative burden.

These LRSP structural decisions between tenant and project-based subsidy along with landlord or tenant based payments define programs nationwide. This study outlines many national LRSP options to consider, in addition to the following potential approach.

6.2 Project-Based Subsidy with Landlord Payments

Given the four stated priorities for this study, **a project-based program** with payments made directly to the landlord may serve as an alternative approach to meet Alexandria’s priorities while filling a gap in service provision.

A project-based program contracts with landlords directly to subsidize a subset of units for rent by income-qualified households. This subsidy stays with the unit no matter the tenant. These can be market-rate units or subsidized properties. An ideal way to streamline the program and reduce costs based on the scenario modeling, is to layer LRSP on top of existing affordable housing subsidies. Focus group participants, community meeting respondents, and program census interviews indicated that layered, flexible subsidy that deepens affordability is a simple and straightforward way to reach still cost-burdened renters in subsidized buildings.

To start, the City could solicit a Request for Proposals (RFP) to choose a small number of landlords. The RFP is recommended to evaluate a landlord’s experience in the Alexandria housing space, commitment to tenants’ rights, location near high-quality, amenity-and-transit-rich housing, geography of the unit compared with proportion of ideal recipients in the community, etc.

Program administrators would then have more control over the quality, type, and oversight of the housing stock in the LRSP, while still offering reduced cost burdens for the most financially vulnerable, high-need tenants. Additionally, many administrative responsibilities of tenant-income qualification, unit inspections, etc. are bolstered by LIHTC-investor and lender oversight in the property, keeping City administration simple and direct.

Alignment with Alexandria’s Pilot Rental Subsidy

Alexandria already operates the Pilot Rental Subsidy, which creates deeper affordability of units in 9% LIHTC properties. This ongoing program offers synergy with this proposed LRSP structure to promote affordability without creating redundancies in the affordable housing market.

Participating landlords are already involved with the City and aware of the payment, unit and tenancy compliance, and reporting processes. Participating tenants are familiar with the unit and payment structure. It is an advantage for Alexandria to invest in a well-developed infrastructure without starting from scratch.

A project-based LRSP could serve as a natural expansion of the Pilot Rental Subsidy to reach even deeper affordability for its tenants. Alternatively, the LRSP could exclude Pilot Rental Subsidy projects to try and reach new LIHTC developers. This option has the potential to create more administrative burden, though, as the efficiencies gained from expanding on the current Pilot Rental Subsidy would be lost.

Expansion Example

A new LIHTC project applies to receive project-based contracts through this expanded LRSP model to subsidize some of its units to be affordable to 30% AMI households (rather than the typical 60% AMI). The LRSP contract would create *additional* 30% AMI units in the building, not subsidize pre-planned and funded units.

Potential Priorities and Benefits

A project-based and landlord payment style subsidy with affordable housing providers is recommended because it could provide high numbers of high quality units and affordable housing and add on relatively low administrative responsibility to the City as a natural expansion of the Piloted Rental Subsidy program. As this potential LRSP program grows and program outcomes can be evaluated, then the program could expand to subsidize market units.

In alignment of the City's priorities, benefits of this program structure include:

Landlord Oversight

The landlord selection process can prioritize landlords with LIHTC or other affordable housing funding, which often conducts its own, independent oversight of landlords and units. This can provide additional risk mitigation with a smaller number of landlords to start the LRSP.

High Quality Housing

Landlords and buildings can be chosen for LRSP participation based on factors related to housing quality. This will be important for cost-burdened tenants who struggle to pay for utilities or medication in addition to their rent payments. Higher quality housing assumes greater efficiency and lower downstream costs to the tenants.

Deeper Affordability

Prioritizing landlords and affordable units, such as those already participating in the Pilot Rental Subsidy, further subsidizes these units for lower AMI households who may still be cost burdened. This would lower costs in per-unit subsidy, spreading needed LRSP dollars to lower AMI recipients and increasing the overall number of households served.

English-Learning and Undocumented Households

Many affordable housing portfolios are experienced in using alternative forms of documentation, allowing for a wide variety of household types to qualify for assistance. RFPs for the LRSP should prioritize landlords that have a track record in serving English-learning and undocumented households. RFPs can also prioritize landlords with units within census tracts with limited demographic diversity and/or high rates of English-learning populations.

Landlord Retention

Market-rate landlords can opt out from LRSP program participation in future years, which means the administration may have to relocate tenants to other approved units. This can be challenging and disruptive in a small pilot program. With a subsidized housing portfolio, landlords are less likely to opt out from program participation, ensuring that tenant displacement is limited.

Reduced Annual Increases

Subsidized units participating in LRSP could more easily keep apartments in the program rent stable. The program can require participating landlords to make a needs-based case when requesting annual rent increases to pass on to tenants living in their LRSP units. Similar to HUD Housing Assistance Payment (HAP) contracts, LRSP landlords could provide proof of increased operating costs before an annual rent increase is approved. Alternatively, these units could also offer longer term contracts with landlords to prolong the rent stability of one unit. Affordable housing providers embedded in the LRSP process will be familiar with these potential requirements.

Benefits Cliffs or Gaps in Affordability

Subsidized market rate housing could unintentionally displace LRSP tenants, if a tenant's income is over the allowable limit during recertification periods. Without program flexibilities or transition funds built in for market rate units, tenants could not afford the market rent for their unit and would have to move. The gap between their income and the market rent would still be too large. By using an existing affordable housing portfolio for LRSP, the gap in income and rent may be smaller for tenants whose income changes. Additionally, this project based/landlord payment model would not put the tenant's maximum income at risk for other program integration or referral opportunities since the unit is subsidized directly to the landlord.

Lower Administrative Burden

The City could prepay for LRSP units in a lump sum to landlords for all units in a building. Like HAP contracts, payments could be made quarterly and would be a benefit to the landlord by reducing operating costs and program coordination. Consequently, this would also be a lower administrative burden for the City to operate.

6.3 LRSP Implementation

Within Six Months:

- Select a program delivery method. This study narrative can be a starting point, along with Alexandria’s expertise with other LRSP programs.
- Use the scenario modeling in **Chapter 5** of this report to identify a target funding amount needed to effectively propose the program.
 - Is this target budget for one year of program delivery or more?
- With the program delivery method and target budget in hand, estimate the number of annual participants served and the desired estimated AMI to serve.
 - Determine if the program will focus on marginalized communities beyond income level and rent burden. Specify the ideal participant household that reflects the goal of the LRSP program.
- Convene stakeholders from the Office of Housing, ARHA and DCHS to provide feedback on this proposed design, budget, and ideal household participant served.
- Share the concept with key stakeholders, such as the Alexandria Housing Affordability Advisory Committee, the Landlord Tenant Relations Board, and potential landlords who may participate in the program to understand implementation-related questions or suggestions.
- Discuss further with the Pilot Rental Subsidy participating developers, tenants, and administrators. This program is a natural expansion of the recommended program design that could use the expertise from the Pilot Rental Subsidy.
 - What evaluation metrics can be collected from the Pilot Rental Subsidy to support development of LRSP? What would the City want to change for LRSP?

Within One Year:

- Develop a more detailed budget for the program and work internally at the City to determine long-term sources of funds.
 - Explore the potential for “dedicated” sources of revenue; consider administrative fees associated with real estate transactions, similar to the Chicago model. Are Alexandrians committed enough for a local referendum vote like in Portland, Oregon? Evaluate what is the first course of action to have a committed funding source.

- Identify and recruit additional sources of capital—including participation from lending institutions, corporations, and charitable foundations.
- Outline the administrative needs for the City. What department will be responsible for LRSP? Hire staff accordingly and outline their responsibilities in alignment with the budget and possibility for coordination with other departments.
- With a project-based program, develop a proposed RFP for eligible landlords, sample forms of contract, and draft lease documentation that incorporates the City's priorities and would result in serving for equity.
- Review these draft materials with key stakeholders, including prospective landlords that may participate in the program.

6.4 Responsibilities

City staff: Develop program design, budget and documentation. Determine an administrative budget for the program. Make recommendations regarding the appropriate department to oversee the program. Convene stakeholder feedback and community presentations and feedback. Liaison with the City Council and other partners, support staff with specific tasks.

City Council: Make decisions about funding types and levels, evaluate and approve award recommendations. Steward permanent funding to the program, as needed.

Alexandria Housing Affordability Advisory Committee and the Landlord Tenant Relations Board: Provide feedback on program design and priorities. Receive regular updates on program use, once operationalized.

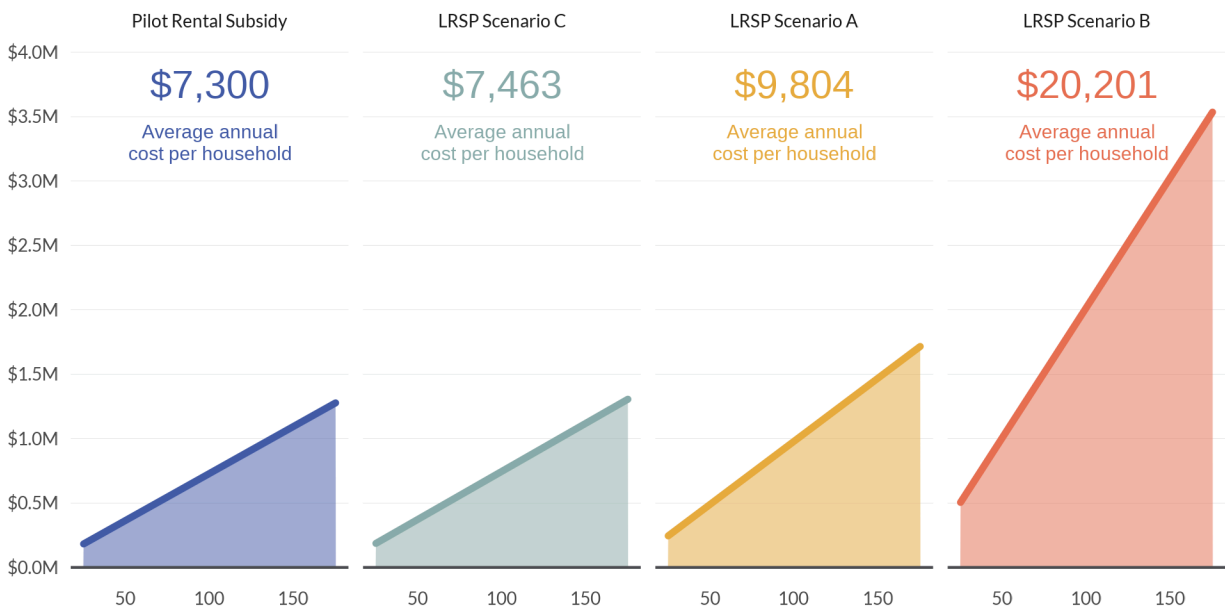
6.5 Funding Scope

Compared with the current allocation for the Pilot Rental Subsidy and the three scenarios, Alexandria can determine an appropriate funding allocation for LRSP based on the corresponding implementation decisions made.

The chart below projects the funding needed for the current Pilot Rental Subsidy and the three scenario models in this study:

Projected funding scopes for local rental assistance programs

Estimated annual program budget (millions) and households served



Notes: Pilot Rental Subsidy data as of April 2024. Plots show range of 25 to 175 households served.

As of September 2023, the Pilot Rental Subsidy subsidized ten percent of 9% LIHTC units to reach deeper affordability for about 37 households, with the potential to serve 56 households in the entirety of the Pilot. Scenario C reaches an estimated 67 working families between 30% and 50% AMI and Scenario A reaches 51 households between 30% and 50% AMI (including single persons). Scenario B assumes a program serving 150 households at risk of homelessness and housing instability for an estimated annual budget slightly higher than \$3 million.

These funding scenarios offer how much to potentially allocate for Alexandria’s LRSP. The final funding allocation will be dependent on the criteria chosen in the LRSP’s implementation. Participant eligibility qualifications for ideal tenant’s served, case management requirements, depth of affordability per unit, short term leases, or frequent landlord turnover all increase the administrative burden of the LRSP, as well as the total required funding.

Project-based subsidies with landlord based payments are possible with all three modeled scenarios. The total annual funding allocation will go much farther for each scenario with units subsidized with affordable housing providers, demonstrated by the lower per household cost in the Pilot Rental Subsidy.

The baseline recommendation to work with subsidized housing providers could reduce per household costs in Scenario B by a corresponding reduction in total per household rent subsidy, as the City's contributions for rent to subsidized units would be lower than with market rate units.

Scenarios C and A could reach more households within their estimated \$500,000 annual allocation for the same reason. Furthermore, relying on landlords from subsidized units would decrease the associated administrative burden for each scenario, thereby decreasing the projected funding scope.

6.6 Metrics to Evaluate Outcomes

The success of a project can be measured by both what it does (outputs) and what impact it is able to have (outcomes). Outputs refer to the tangible deliverables and activities generated by the LRSP, while outcomes capture the broader impact and efficacy of the program. Importantly, outcomes can help determine whether the LRSP is effectively addressing the priority challenges it was designed to address. Below are suggested examples to measure both:

Outputs:

- Number of LRSP participating households
- Number of LRSP landlords
- Incomes (and AMI ranges) of LRSP households
- Location of LRSP housing units across city
- Cost metrics (e.g., per-unit subsidy, administrative costs as a percent of program costs.)
- Funding leveraged for the program
- Time to completion and occupancy
- Number of leases maintained

Outcomes:

- Beneficiary demographics
- Affordability levels (e.g., resident cost burdens, costs relative to market average)
- Change in life circumstances over time (employment, change in income, savings ability)
- Economic impact of investment
- Change in income of LRSP participants
- Change in number of landlords participating in the program year over year
- Change in City's eviction rate

- Quality-of-life (e.g., access to jobs, transportation)
- Post-program housing conditions (whether a program participant moves to another housing unit and is able to successfully maintain the unit without subsidy)
- Partner satisfaction (surveys and feedback from stakeholders)
- Client satisfaction (for tenants or landlords)

Appendix 1: Focus Group Outcomes and Analysis

Focus Group Topic	Takeaways	Priority
Senior Rental Subsidy Program <i>a focus group comprised of City staff associated with the senior rent subsidy program operated out of the Department of Community and Human Services</i>	Program is a cash payment, does not increase with increase in rent, so rent burden can exist among participants	Reduce displacement, increase stability, ease of admin
	Administration of the cash payment is more complex than a direct rent payment for staff and recipients. More staff is needed for more clients served.	Reduce displacement, increase stability
	Apartments requiring 2-3x rent is a barrier for low income renters (cash still isn't enough)	Reduce displacement, increase stability
	Getting referrals (come in for crisis and referred into the program through)	Closing benefit gap
	Clients have access to services (clients are 30% AMI and below and seniors)	Closing benefit gap
	30-50 AMI, gap in services and benefits cliff (must not make more money or lose coverage), bridging gaps is the ideal model	Closing benefit gap
	Committed affordable voucher would create more stability	Reduce displacement, increase stability
Arlington Housing Grant - Department of Housing Services <i>an interview with County staff administering the program</i>	Serves 50% AMI group	Equity
	Must have income (time to find a job) asset cap - \$35K not bad	Closing benefit gap
	Grant prorated based on documented persons in the HH - child's status not assessed	Equity
	Open enrollment and now waitlist - ongoing (cannot use HCV too)	Ease of administration
	Assistance set by HH size - not bedrooms	Ease of administration
	8 staff and still want more - operational and admin funding separate	Ease of administration
	Application process is high volume and time consuming - first come first serve	Ease of administration
	Majority in committed affordable units - limited availability	Closing benefit gap
	80% stay year over year	Reduce displacement, increase stability
	Recommends not paying full rent and requiring work	Increase stability
	Recommends encouraging HCV where possible	Closing benefit gap
Recommends being as specific as possible about the population	Closing benefit gap	
Alexandria Redevelopment and Housing Authority <i>a focus group comprised of staff that operate the Authority's Housing Choice Voucher Program</i>	FSS graduations are down - families think it's too much - burden for participation and service too high	Ease of administration
	We are fully leased up, the waitlist is 12,000 deep, we are understaffed	Ease of administration
	We can pull folks off the waitlist for project based/ mod rehabs when there's availability	Closing benefit gap
	Project vouchers may support the financial viability of development or redevelopment as well	Reduce displacement, increase stability
	Property specific waitlists are extremely long and rarely open	Ease of administration
	Roughly 40-50 families leaving yearly - often to other localities where they can get more bang for their buck	Reduce displacement, increase stability
	Small Area FMR allows those who qualify a higher rental amount - this allows people to stay in the City because of the cost of living	Closing benefit gap
	Gap in service with larger family and singles, single parents with children - types of units that can be used with vouchers just not possible	Closing benefit gap, cost burden to large families, single parent households
	The difference in what HCV covers and the market rate is too big - still need supplemental income	Closing benefit gap
	HCV cannot cover fees, security deposits, amenity fees	Closing benefit gap
Rents are still too high and this is leading to displacement	Reduce displacement, increase stability	

Focus Group Topic	Takeaways	Priority
Advocates <i>Focus group comprised of representatives from the organizations Tenants and Workers Union, Economic Opportunities Commission, and the Alexandria Housing Affordability Advisory Committee</i>	Need supplemental income in addition to what is covered for rent, LIHTC rents are too high	Cost burden, closing benefits gap
	Folks are having to move - high eviction rates following lifting the [Covid-era eviction] moratorium - concern is how to keep folks in rentals - what can we do to prevent eviction or displacement	Reduce displacement, increase stability
	Households with non-typical income sources, the undocumented, or service workforce are hard to house because of the high cost of housing but also the requirements	Ease of administration, cost burden for groups
	ARISE supplemental income is a good example - serves 60 AMI while LIHTC serves 60-80, serve for 2 years and well run	Cost burden
	Low awareness of programming and difficult outreach - need to increase awareness and serve more families- need to increase trust because people will drop out of application process	Ease of administration
	Recommends income based support rather than rental support because there is never enough to cover the rent	Ease of administration, cost burden, reduce displacement
	All want to serve most vulnerable - under 50% AMI	Cost burden to most in need
	ARISE program could manage a supplement for rent - think that the Dept of Human Services could be a good fit	Ease of administration
	Arlington's grants programs paired with non-profit developers is a good example of rental subsidy working	Ease of administration
	Consultant is running the ARISE program	Ease of administration
Affordable Housing Developers and Managers <i>Focus group comprised of representative of developers and property managers that operate affordable housing in Alexandria</i>	Avoiding delinquency and keeping people housed and stable would meet an immediate demand.	Stability
	60% of AMI is too high - at this level people are still cost burdened	Equity
	All see ideal as paying the landlord directly to be able to maintain stability for client	Stability - avoid eviction
	Compliance is huge - who will be managing this, because this is a big thing that needs to be done well	Ease of administration, stability
	Staff don't need to track down the tenant if the money doesn't show up. Better to pay the landlord.	Ease of administration
	If payments can be used for anything in addition to rent, need to make sure rent is covered by something else	Closing benefit gap
	If payment is meant only for rent or housing costs then should go straight to the landlords.	Ease of administration
	Compliance hugely important if rent does not go straight to landlord - who will be managing the eviction process with that payment?	Reduce displacement, increase stability
	Should have an orientation for new program participants to be able to make sure everyone is on the same page and roles are extremely clear	Ease of administration
	Immigrant and spanish speakers are less likely to work directly with the Department of Community and Human Services - relying only on AMI can miss the homeless or non-english speakers	Equity
	None of these programs require sharing a SSN but need to document income clearly to qualify.	Equity
	How will we account for fair housing if we want to focus on equitable outcomes?	Equity

Appendix 2: National Program Case Studies

1. Rental Supplement Program – Montgomery County, Maryland

- A. Background: The rise in homelessness and the lack of affordable housing stability is a growing concern in Montgomery County, Maryland. The Rental Supplement Program (RSP) was instituted as a strategic response to counteract this escalating issue. Spearheaded by the Montgomery County Department of Housing and Community Affairs (DHCA) and managed by the Housing Opportunities Commission (HOC), RSP aims to offer rental support to vulnerable low-income residents, preventing them from being overwhelmed by high rental expenses.
- B. Program Design: The program specifically targets residents whose Gross Household Income (GHI) ranges between 20-40% of the Area Median Income (AMI). This bracket mainly comprises those at risk of allocating more than 30% of their total income to cover rent, making them susceptible to financial instability.

The rental subsidy, which can be up to \$600 per month, is contingent on factors like household size and income. A notable feature of this program is the direct channeling of subsidies to landlords, ensuring that the relief directly offsets the rent for qualified households.

The subsidy can be revoked if a household's eligibility changes or if they vacate the premises for which the subsidy was originally granted. Such stipulations ensure that the benefits are exclusively enjoyed by those in genuine need and within the designated properties.

- C. Outcome & Evaluation: As of the latest data, the program provides rental assistance to an estimated 300 households residing in multi-family developments across the county. This footprint is a testament to the program's effectiveness and its pivotal role in forestalling an escalation in homelessness and ensuring stable housing for vulnerable segments of the population.

2. General Relief (GR) Housing Subsidy and Case Management – Los Angeles County, California

- A. Background: This program provides services to adults and couples without children who are experiencing homelessness or at-risk of homelessness who are receiving a General Relief (GR) grant.
- B. Program Design: Beneficiaries of the GR program can avail a rental subsidy, with the provision capped at \$475 for individuals and \$950 for couples. Participants are mandated to contribute \$100 from their monthly GR grant towards rent. Consequently, a total of \$575 (comprising the \$475 subsidy and the \$100 from the GR grant) is disbursed directly to the landlord or property manager post housing approval.

GR's housing subsidy is especially tailored for adults or couples without children facing housing challenges. It extends to Transition Age Youth (TAY) aged 18-24, individuals hindered by disabilities and in the process of applying for Supplemental Security Income (SSI) or Veterans Benefits (VB), and

those employable and enrolled in the Skills and Training to Achieve Readiness for Tomorrow (START) scheme, aiming to secure employment.

Participation in the rental subsidy initiative is voluntary. However, individuals can get this benefit a maximum of three times in their lifetime.

A distinctive feature of GR, the once-in-a-lifetime Move-In Assistance, offers beneficiaries up to \$500 to offset move-in related expenses. These costs can range from security and utility deposits, moving expenses, to essential appliance acquisitions, and even storage facility fees.

- C. Outcome & Evaluation: By offering a combination of rental subsidies and move-in assistance, GR ensures that financial constraints don't exacerbate housing instability.

3. Housing Grants – Arlington County, Virginia

- A. Background: The program is designed to aid renters by providing partial monthly rent assistance, thereby fostering housing stability among the county's low-income residents.
- B. Program Design: The Housing Grants Program predominantly caters to: Seniors aged 65 or above, individuals rendered completely and permanently disabled, working families with a minimum of one child below 18 years, and Clients or patients engaged with a County-operated or backed mental health initiative. Recipients are presumed to have an income not exceeding 45% of the AMI. However, the exact limits can vary based on the ages of household members and rent amounts. This program has not only income limits, but also employment requirements and asset restrictions.

The Housing Grant manifests as a two-party check, bearing the names of the beneficiary and their respective landlord. This check is dispatched directly to the grantee at the commencement of each month. The Housing Grant doesn't guarantee complete rent coverage. The grant's value is contingent upon variables such as the grantee's income, the size of their household, and their rent.

- C. Outcome & Evaluation: By providing partial rental assistance, the county not only ensures that its residents aren't rendered homeless due to financial constraints but also affirms the importance of community welfare in governance.

4. Bridge Rental Subsidy Program – Philadelphia, Pennsylvania

- A. Background: The Bridge Rental Subsidy Program, a Tenant Based Rental Assistance (TBRA) initiative, aims to offer affordable housing solutions to individuals with behavioral health disabilities. By covering a significant portion of housing costs, the program ensures that these individuals only pay around 30% of their income towards housing expenses.
- B. Program Design: The program primarily targets persons moving from congregate living situations like Community Rehabilitative Residences (CRRs). Tenants are placed in rental units managed by private landlords or property management companies. All participating landlords are also associated with the Housing Choice Voucher (HCV) program, ensuring consistency in quality and standards. Tenants contribute approximately 30% of their monthly income towards rent and

utilities. Those incurring utility costs directly are entitled to a utility allowance which reduces the amount they owe. Tenants are required to recertify their financial and household details biennially.

- C. Outcome & Evaluation: Philadelphia's Bridge Rental Subsidy Program is a proactive solution for persons with behavioral health disabilities, ensuring they get priority access to affordable housing.

5. Housing Instability Prevention Program – San Diego, California

- A. Background: The Housing Instability Prevention Program (HIPP) is designed to assist families with low incomes in San Diego who are facing housing instability. This includes those on the verge of eviction due to rent arrears.
- B. Program Design: Qualifying households can receive \$500 monthly for up to 24 months. Depending on individual needs, the program can also assist with other housing-related expenses, like security deposits, unpaid rent, utilities, application fees, and furniture. All payments are directed to the approved vendor (like landlords or utility companies).

Potential recipients spend more than 60 percent of their gross income on housing in San Diego's rental housing market. Household income must be at or below 80% of San Diego's Area Median Income, which is currently set at \$104,100 annually for a family of four. Total assets, like bank accounts or retirement savings, should be less than \$2,000. Participants shouldn't be receiving ongoing rental assistance from any other program. Preference is given to senior citizens, disabled individuals, families with very young children, and transition-age youth (18-24).

- C. Outcome & Evaluation: The Housing Instability Prevention Program is a crucial initiative in San Diego, aiming to address the looming housing crisis for vulnerable families. By providing direct financial assistance and a host of other supportive measures, the program ensures that these families have a stable roof over their heads and a chance at a better future.

Appendix 3: Program Census Protocol

1. Program Name
2. City
3. County
4. State
5. Program creation year
6. Department/Lead entity
7. Supporting entity (if any)
8. City/State Funding
9. Link to website
10. Category (Tenant or Project Based?)
11. Amount of Monthly Subsidy
12. Payment Made Directly to Tenant or Landlord?
13. Does the payment subsidize more than just rent?
14. Estimated # household recipients
15. Structure and organizational Roles
16. Financing mechanisms
17. Total Funding Amount
18. Income Criteria (AMI)
19. Other participant eligibility criteria or targeted populations
20. Place-based eligibility components?
21. Property type or Landlord eligibility components?
22. Secured period (year) - how long does the tenant have funding for?
23. Max time (months) - What is the max amount of time the tenant may use the program?
24. Is there an Orientation Required?
25. What is the Condition to Recertify/reapply or reaffirm income?
26. What is the required Recertification frequency (years)
27. Are there connections "bridges" to other programs (federal or otherwise)?
28. Are there program requirements (work requirements, case management, training, etc.) as eligibility criteria?
29. What are the Program flexibilities (e.g. allowed increases in income)?
30. Are there commitments to Racial Equity?
31. Is Spanish language available?
32. Are Other languages available?
33. Are there Outreach partnerships? (e.g. outreach through sub-population focused non-profits, etc)
34. Is there monitoring and eval (organizational) with the tenants or properties?
35. What are the org/admin simplicities/innovations?
36. What are the organizational highlights?

Appendix 4: National LRSP Program Census (Matrix)

Program	City	County	State	Year Created	Department/ Lead Entity	Supporting Entity (if any)	City/State Funding	Government Run? (1 = yes, 0 = no)
1 DC Flex (DC Flexible Rent Subsidy Program)	DC	DC		2017	Department of Human Services	The Lab at DC, and the Capital Area Asset Builders	City	1
2 Local Rent Supplement Program (LRSP)	DC	DC		2007	Housing Authority		City	1
3 Targeted Affordable Housing (TAH)	DC	DC			Department of Human Services	DC Housing Authority	City	1
4 Canada-Ontario Housing Benefit (COHB)	Toronto	Ontario	Canada	2020	Housing Access Centre	Approximately 120 referring partners	Federal and provincial	1
5 Rental Subsidy Program	Chicago	Cook	Illinois	1989	Chicago Low Income Housing Trust Fund	Participating special initiatives	City/ State	1
6 Rental Supplement Program		Montgomery	Maryland		Department of Housing and Community Affairs	Housing Opportunities Commission (HOC)	City/ County	1
7 CityFHEPS	New York City	5 counties	New York		Department of Social Services		City/ County	1
8 Administration for Children's Services Housing Subsidy Program	New York City	5 counties	New York		Administration for Children's Services		City/ County	1
9 GR Housing Subsidy and Case Management Program	Los Angeles	Los Angeles	California		Department of Public Social Services		City/ County	1
10 Housing Instability Prevention Program	San Diego	San Diego	California		Housing Commission		City/ County	1
11 Bridge Rental Subsidy Program	Philadelphia	Philadelphia	Pennsylvania	2010	PMHCC, Inc. (independent 501c3)	City Permanent Supportive Housing Clearinghouse	City	1
12 Housing Grants		Arlington	Virginia		Department of Human Services - Housing Assistance Bureau		City/ County	1
13 Regional long-term rent assistance	Portland	Clackamas, Multnomah, and Washington	Oregon	2021	Each County operates independently	Supportive Housing Services Program	City/ County	1
14 Senior Rental Assistance Program	Miami	Miami-Dade	Florida		Department of Housing & Community Development		City/ County	1
15 Shallow Rent Program	Philadelphia		Pennsylvania	2019	Philadelphia Housing Development Corporation	Income restricted units	City	1
SUMMARY INFORMATION			Median year created:	2017		8		15

	Program	Link	Category	Tenant Based? (1 = yes, 0 = no)	Project Based? (1 = yes, 0 = no)	Subsidy Amount	Monthly
1	DC Flex (DC Flexible Rent Subsidy Program)	DC Flex (PDF)	Tenant-based	1	0	\$7,200-\$8,400 per year	\$600
2	Local Rent Supplement Program (LRSP)	The Local Rent Supplement Program (PDF)	Tenant-based / Project-based / Sponsor-based	1	1	Difference between 30 percent of the household's income and the rent of the unit	
3	Targeted Affordable Housing (TAH)	Targeted Affordable Housing for Individuals and Families dhs	Tenant-based	1	0	Difference between 30 percent of the household's income and the rent of the unit	
4	Canada-Ontario Housing Benefit (COHB)	Canada-Ontario Housing Benefit (COHB) - City of Toronto	Tenant-based	1	0	Difference between 30 percent of the household's income and the average market rent in the area	
5	Rental Subsidy Program	Rental Subsidy Program - Program Guide (PDF)	Project-based	0	1	Subsidizes buildings directly to buy down the costs of units - cannot exceed 120% of Chicago FMR - 30% of income	
6	Rental Supplement Program	Housing Opportunities Commission - About Rental Programs	Project-based	0	1	Up to \$600	\$600
7	CityFHEPS	CityFHEPS - HRA	Tenant-based	1	0	Max rent \$1100 and 30% of income difference with rent - follows HCV	
8	Administration for Children's Services Housing Subsidy Program	Housing Support - ACS	Tenant-based	1	0	\$300 per month for up to 3 years or \$10,800	\$300
9	GR Housing Subsidy and Case Management Program	GR Housing Subsidy and Case Management Program	Tenant-based	1	0	Up to \$475	\$475
10	Housing Instability Prevention Program	Housing Instability Prevention Program (PDF)	Tenant-based	1	0	\$500	\$500
11	Bridge Rental Subsidy Program	Bridge Rental Subsidy Program	Tenant-based	1	0	30% of monthly income minus utility allotment	
12	Housing Grants	Housing Grants - Official Website of Arlington County Virginia Government	Tenant-based	1	0	2 party check to landlord and tenant - pays 40% of difference	
13	Regional long-term rent assistance	Supportive housing services: Addressing homelessness in greater Portland Metro	Tenant-based / Project-based	1	1	Difference between 28.5 percent of the household's income and the average market rent in the area	
14	Senior Rental Assistance Program	Senior Rental Assistance Program - Miami	Tenant-based	1	0	\$500 per month	\$500
15	Shallow Rent Program	Shallow Rent - MAKING PHILADELPHIA BETTER BLOCK BY BLOCK	Project-based	0	1	\$500 voucher	\$500
SUMMARY INFORMATION				12	5	Median monthly subsidy:	\$500

	Program	Voucher Style?	Tenant or Landlord	Tenant	Other than subsidy?	Other than rent payment?
1	DC Flex (DC Flexible Rent Subsidy Program)	0	Tenant	1	Can choose what of the \$7200/8400 they want towards rent each month. Can be used for unexpected expenses or emergencies.	1
2	Local Rent Supplement Program (LRSP)	1	Cash to landlord for project-based vouchers and to tenant for tenant-based	1		0
3	Targeted Affordable Housing (TAH)	1	Tenant	1	Individualized case management	1
4	Canada-Ontario Housing Benefit (COHB)	1	Direct to tenant	1	Other forms of social assistance not allowed. Payment made to bank account. Tenant can keep difference.	1
5	Rental Subsidy Program	1	Landlord	0	Property owners are encouraged to pay the utilities and can be compensated for certain utility rates - payment must include heat	1
6	Rental Supplement Program	0	Landlord	0	No	0
7	CityFHEPS	1	Landlord	0	No	0
8	Administration for Children's Services Housing Subsidy Program	0	Landlord, housing agency, or approved vendor only	0	No	0
9	GR Housing Subsidy and Case Management Program	0	Landlord	0	Move-in assistance	1
10	Housing Instability Prevention Program	0	Landlord	0	Utilities	1
11	Bridge Rental Subsidy Program	1	Landlord	0	Utilities and supportive services	1
12	Housing Grants	1	Tenant	1		0
13	Regional long-term rent assistance	1	Landlord	0	Supportive services, utilities	1
14	Senior Rental Assistance Program	0	Landlord, housing agency, or approved vendor only	0		0
15	Shallow Rent Program	0	Landlord	0	Rent arrears, current and/or future rent, security deposits and relocation fees, utilities, food or household essentials	1
SUMMARY INFORMATION						9

	Program	Estimated household recipients	Structure and organizational roles	Financing mechanisms
1	DC Flex (DC Flexible Rent Subsidy Program)	300	\$7,200 for singles and \$8,400 for families. Must apply through a lottery system and then are awarded funds.	DC City Council allocation
2	Local Rent Supplement Program (LRSP)	3,300		General revenue
3	Targeted Affordable Housing (TAH)	Not provided	DHS handles intake and ongoing case management, DCHA issues subsidy payments.	General revenue
4	Canada-Ontario Housing Benefit (COHB)	300,000	120 partners refer into the centralized waiting list for the program.	Ontario govt pays \$732 million and fed pays \$732 million
5	Rental Subsidy Program	2,741	The Trust Fund works directly with landlords/property managers to identify specific units to subsidize.	50% of fees generated by City Affordable Requirements Ordinance and Downtown Density Bonus. Statewide fee from county recordation fees. Illinois Housing Authority allocates funding to local agencies to provide subsidy to owners.
6	Rental Supplement Program	200	Provides a shallow rental subsidy of \$250 to \$350 per month to working poor households. Administered by 5 privately-owned properties and monitored by HOC.	County funded.
7	CityFHEPS	Not provided		Not provided
8	Administration for Children's Services Housing Subsidy Program	Not provided		Not provided
9	GR Housing Subsidy and Case Management Program	Not provided	Must be a part of the General Relief grant program; can apply and be a part of the case management and housing program.	Not provided
10	Housing Instability Prevention Program	300		Not provided
11	Bridge Rental Subsidy Program	Not provided	Partnership with HA to easily have folks transfer to a HCV, but additional partnerships and tenant services coordinator.	Not provided
12	Housing Grants	1,550	Application with DHS and then check made to tenant. Counts as income and cannot be used with HCV.	Paid for through a tax allocation
13	Regional long-term rent assistance	2,102	Operates within the larger supportive housing services network.	1% marginal personal income tax on taxable income above \$125,000 for individuals and \$200,000 for those filing jointly, and 1% business income tax on net income for businesses with gross receipts above \$5 million.
14	Senior Rental Assistance Program	Not provided	Paid directly to landlord within Miami .	General revenue; Dedicated funding stream.
15	Shallow Rent Program	550	Subsidized income restricted affordable housing projects paying more than 30% of their household income on rent.	PHDA funded through the City (Allocation from City Council)

SUMMARY INFORMATION

	Program	Funding	Income Eligibility	Max AMI	Other participant eligibility or targeted populations
1	DC Flex (DC Flexible Rent Subsidy Program)	\$5,000,000	40% AMI	40%	At risk of homelessness, using other housing services, up to 30% AMI, applied for recent emergency assistance.
2	Local Rent Supplement Program (LRSP)	\$106,606,000	30% AMI	30%	
3	Targeted Affordable Housing (TAH)	\$30,756,000	30% AMI	30%	1+ years of documented chronic homelessness.
4	Canada-Ontario Housing Benefit (COHB)	\$1,500,000,000	n/a referral based		Priority to homelessness, survivors of domestic violence and human trafficking, Indigenous persons, asylum seekers, refugees, people with disabilities that need modified units, seniors, longest on the centralized waitlist.
5	Rental Subsidy Program		30% AMI (1/2 of households of the program earn 15% AMI or less)	30%	50% of units are tied to these initiatives: Homeless, Homeless Prevention, Veterans, Homeward Bound, Living with HIV/AIDS, Families First, Puerto Rico Evacuees, Families in Transition, Chronic Homeless.
6	Rental Supplement Program		20%-40% AMI	40%	Prevent homelessness and stabilize families in affordable housing, vulnerable to paying more than 30% of income to rent.
7	CityFHEPS		200% of federal poverty level		Homelessness, veteran, or sheltered, referred through DHS program in shelter, would avoid shelter entry, facing eviction AND lives in shelter is in adult protective services, or in rent control.
8	Administration for Children's Services Housing Subsidy Program		Not provided		Families with active foster care or preventive cases, Youth in independent living programs.
9	GR Housing Subsidy and Case Management Program		Not provided - need to make less than \$300 etc. per month		Adults or couples without children facing housing challenges. More strict eligibility requirements, including a workforce requirement and substance use disorder treatment.
10	Housing Instability Prevention Program		80% of AMI	80%	Age 55 or older • Any age with a disability • Families with a child age 5 and younger • Transition-age youth (ages 18 -24)
11	Bridge Rental Subsidy Program		30% AMI	30%	Persons with behavioral health disabilities and leaving congregate living with referral from behavioral health entity.
12	Housing Grants	\$14,000,000	45% of AMI	45%	No more than \$35,000 in assets, maximum allowable rent Arlington resident, 65 years or older, totally and permanently disabled, working families with at least one child under age 18, clients and patients of a County-operated or County-supported mental health program.
13	Regional long-term rent assistance		30%-50% AMI	50%	Within the supportive housing services network, referral from coordinated entry.
14	Senior Rental Assistance Program		50% AMI	50%	Elderly; Cannot have more than \$5,000 in bank accounts or receive rent subsidies; Must be current with rent and live in rental housing funded by City or subsidized housing within City limits
15	Shallow Rent Program	\$2,000,000	30% AMI	30%	Need to live in subsidized housing and still pay more than 30% of income to rent.
SUMMARY INFORMATION			Median AMI used:	40%	

	Program	Homeless	Disability	Mental / behavioral health	Age restricted	Place-based	Place-based eligibility	Property type or landlord eligibility
1	DC Flex (DC Flexible Rent Subsidy Program)	1	0	0	0	0	Anywhere in DC	Any type of housing - need a lease.
2	Local Rent Supplement Program (LRSP)	0	0	0	0	1	Resident of DC	Not provided
3	Targeted Affordable Housing (TAH)	1	0	0	0	0	Resident of DC	Property must abide by DC's fair rent standards and pass HQS inspection by DCHA.
4	Canada-Ontario Housing Benefit (COHB)	1	1	0	1	0	Portable	Anywhere in Ontario.
5	Rental Subsidy Program	1	0	1	0	1	Subsidy tied to unit	Board of Directors approval required. Must meet HQS and lead-based paint certification requirements.
6	Rental Supplement Program	1	0	0	0	1	Subsidy tied to unit	Funding tied to the unit and the tenant must apply for it. Only 5 buildings monitored by HOHC.
7	CityFHEPS	1	0	0	0	0	In NYC	Not provided
8	Administration for Children's Services Housing Subsidy Program	0	0	0	1	0	Safe, sanitary condition	Not provided
9	GR Housing Subsidy and Case Management Program	1	1	1	0	0	In Los Angeles	Not provided
10	Housing Instability Prevention Program	0	1	0	1	0	In San Diego	Not provided
11	Bridge Rental Subsidy Program	0	1	1	0	0	Not provided	HCV approved landlords - private rental or property management companies.
12	Housing Grants	1	1	1	1	0	Resident of Arlington	Not provided
13	Regional long-term rent assistance	1	1	0	1	1	Not provided	Regional landlord guarantee. No limit for the project-based properties. Landlords can apply to be in the network or use regional funds available for repairs.
14	Senior Rental Assistance Program	0	0	0	1	0	Rent within Miami	Not provided
15	Shallow Rent Program	0	0	0	0	1	Need to live in an affordable building	Subsidized/affordable housing of any kind.
	SUMMARY INFORMATION	9	6	4	6	5		

	Program	Secured period (months)	Period (months)	Max time (months)	Orientation required	Condition to recertify
1	DC Flex (DC Flexible Rent Subsidy Program)	12	12	48	Yes	Yearly regardless, proof of employment after 1 year in the program.
2	Local Rent Supplement Program (LRSP)	Not provided	Not provided	Not provided	Not provided	Not provided
3	Targeted Affordable Housing (TAH)	Not provided	Not provided	Not provided	Not provided	Not provided
4	Canada-Ontario Housing Benefit (COHB)	12	12	Not provided	Not provided	Yearly. Must file taxes. Can be reassessed anytime if: Start/stop Ontario Works or Disability Support Program payments, change household size, rent/utilities assistance change, receive other housing benefit.
5	Rental Subsidy Program	12	12	24	Not provided	Annual and renewable. Tenant must have at least a yearly lease and must submit income at least yearly.
6	Rental Supplement Program	Not provided	Not provided	Not provided	Not provided	Must be working.
7	CityFHEPS	12	12	60	Not provided	Must recertify with an application every year and be re-evaluated.
8	Administration for Children's Services Housing Subsidy Program	12	12	36	Not provided	Not provided
9	GR Housing Subsidy and Case Management Program	9	9	27	Yes, must work with a case manager	Must recertify after 9 months in the program.
10	Housing Instability Prevention Program	24	24	Not provided	Not provided	Not provided
11	Bridge Rental Subsidy Program	24	24	Not provided	Not provided	If household size or income changes, MUST recertify w/in 3 weeks of change (tenant initiated). Must recertify household info and income every 2 years.
12	Housing Grants	Not provided	Not provided	Not provided	Not provided	Not provided
13	Regional long-term rent assistance	No limit	Not provided	Not provided	No	Every 3 years if the head of household is 55 years or older or a person with a disability, 2 years for all others households. Interim reexaminations may be conducted upon request.
14	Senior Rental Assistance Program	12	12	12	Not provided	Not provided
15	Shallow Rent Program	7	7	24	No	Must recertify yearly. Budget is allocated yearly.
SUMMARY INFORMATION		Average: 13.6		Count: 7	8 document the need for recertification	

	Program	Recertification frequency	Connections to other programs	Bridges?	Program requirements (work, case management, training, etc.)	Requirements?
1	DC Flex (DC Flexible Rent Subsidy Program)	Recertify eligibility each year with DHS	Meant to act as an in between for timing and HCV and emergency assistance.	1	2 financial coaching sessions per year, 1 financial management session per year, action plan review monthly, do not require job to qualify but must prove employment after 1 year.	1
2	Local Rent Supplement Program (LRSP)	Not provided	DC's Housing Production Trust Fund and Permanent Supportive Housing.	1	Not provided	0
3	Targeted Affordable Housing (TAH)	Not provided	Not provided	0	Individualized case management.	1
4	Canada-Ontario Housing Benefit (COHB)	Annually	Not provided	0	Must file taxes .	0
5	Rental Subsidy Program	Annually	Bridges with special initiative programs.	1	The landlord must screen tenants and lease the units with the rental benefit in it. Landlord has to manage the income requirements.	1
6	Rental Supplement Program	Not provided	Not provided	0	Not provided	0
7	CityFHEPS	Annually. Can use the program for 4 years, 5 with good behavior.	Case manager will run application to see if can apply for other items.	1	Must apply through local "HomeBase" offices throughout the City - complete the application with case manager.	1
8	Administration for Children's Services Housing Subsidy Program	Not provided	HCVs	1	Not provided	0
9	GR Housing Subsidy and Case Management Program	Every 9 months	General Relief (GR) grant.	1	Cannot use the funding continuously for more than 9 months within one 12 month period. No more than 3 times of use in your lifetime.	1
10	Housing Instability Prevention Program	Not provided	Case management services and access to SDHC's Landlord Engagement and Assistance Program.	1	Not provided	0
11	Bridge Rental Subsidy Program	Every 2 years	Provided with individualized supportive services prior to referral to act as a temporary support until HCV opens up.	1	Must have referral from behavioral health authority and be leaving congregate living, use case management and support services, follow services action plan.	1
12	Housing Grants	Not provided	Not provided	0	Work requirement - 30 hours per week, cannot combine funding with TANF or social payments.	1
13	Regional long-term rent assistance	Every 2-3 years depending on age/disability status.	Yes - within the supportive network can do referrals.	1	Government issued ID preferred.	0
14	Senior Rental Assistance Program	Annually with waitlist and local district lottery.	Not provided	0	Not provided	0
15	Shallow Rent Program	Annually	Not connected to other programs.	0	Landlords must apply directly with PHDC.	0
SUMMARY INFORMATION				9		7

	Program	Program flexibilities (e.g. allowed increases in income)	Racial equity statement	Racial equity?
1	DC Flex (DC Flexible Rent Subsidy Program)	Allowed increases in income, no working requirement at application (gives 1 year to find).	Not found	0
2	Local Rent Supplement Program (LRSP)	Not provided	Not found	0
3	Targeted Affordable Housing (TAH)	Not provided	Not found	0
4	Canada-Ontario Housing Benefit (COHB)	Can renew if your income decreases and have the benefit reevaluated.	Highlights service to Indigenous people, refugees, and asylum seekers. No specific statement.	0
5	Rental Subsidy Program	Allowed increases in income. Property owners are encouraged to pay for all utilities. At recertification if income increases to 50% AMI then eligible for transitional assistance for 1 year after the current lease at half the benefit.	Not found	0
6	Rental Supplement Program	Not provided	Not found	0
7	CityFHEPS	Not provided	Not found	0
8	Administration for Children's Services Housing Subsidy Program	Not provided	Not found	0
9	GR Housing Subsidy and Case Management Program	Not provided	Not found	0
10	Housing Instability Prevention Program	Not provided	Not found	0
11	Bridge Rental Subsidy Program	Not provided		1
12	Housing Grants	n/a	Not found	0
13	Regional long-term rent assistance	Rent contract can be maintained for up to 180 days once determined income is high. Assets, financial aid, and supplemental income not counted. No rental minimums, may use with a variety of housing types. Pays for utilities if utilities cost above the calculated rent amount.	Racial equity commitment in program policies. Need ID, but not status.	1
14	Senior Rental Assistance Program	Not provided	Not found	0
15	Shallow Rent Program	Not provided	Not found	0
	SUMMARY INFORMATION			2

	Program	Spanish	Other language	Outreach partnership (e.g. outreach through sub-population focused non-profits, etc)	Outreach
1	DC Flex (DC Flexible Rent Subsidy Program)	1	Amharic	Outreach with other housing services to encourage application to the lottery. DHS staff identified ~3,000 participants who had utilized the emergency services/met the criteria and then sent the applications.	1
2	Local Rent Supplement Program (LRSP)	0			0
3	Targeted Affordable Housing (TAH)	0			0
4	Canada-Ontario Housing Benefit (COHB)	0		120 referring organizations.	1
5	Rental Subsidy Program	0		Trust fund does property outreach. Units can be tied to special initiative housing (homeless families, HOPWA, female household workforce programs). If tenant applies with a service program, referred to property owner who takes it from there.	1
6	Rental Supplement Program	1			0
7	CityFHEPS	1	Chinese, Russian, Arabic, Korean, Bengali, Urdu, Polish, French		0
8	Administration for Children's Services Housing Subsidy Program	0			0
9	GR Housing Subsidy and Case Management Program	0			0
10	Housing Instability Prevention Program	1			0
11	Bridge Rental Subsidy Program	0		Referrals made from Community Behavioral Health Community Social Services dept and then made from the PSH Clearinghouse.	1
12	Housing Grants	1		Get lots of referrals from dedicated affordable apartments and complexes.	0
13	Regional long-term rent assistance	0		Program partners can cover the costs of move in and support services and has a regional landlord guarantee. Outreach conducted within this services network. Tenant based program is made through a referral system within the PSH network and coordinated entry.	1
14	Senior Rental Assistance Program	0			0
15	Shallow Rent Program	0		Landlords with any form of subsidy not just PHDC properties.	1
	SUMMARY INFORMATION	5			6

Program	Monitoring and evaluation (organizational)	Monitoring and evaluation?	Admin simplicities / innovations
1 DC Flex (DC Flexible Rent Subsidy Program)	CAAB is following up with households throughout the process.	1	Different amounts for families vs. singles. Lottery capped at 200 fam and 100 indiv. DHS screened for users of emergency homelessness and rent services and sent applications. Had applications and screened for eligibility. Those who passed entered into lottery.
2 Local Rent Supplement Program (LRSP)		0	Run by DCHA, basically in combination with HCV program.
3 Targeted Affordable Housing (TAH)		0	Payments are handled basically the same way as HCV payments; only thing that differs is the DHS involvement.
4 Canada-Ontario Housing Benefit (COHB)	The state monitors and reevaluates applications.	1	From the Centralized Housing Waitlist, the service manager identifies and selects the eligible households and send submissions to the ministry of finance. The ministry of finance approves application eligibility and issues monthly payments directly to the household.
5 Rental Subsidy Program	Trust Fund monitors with property owner.	1	The Trust Fund doesn't have to review or approve tenant applications - it's all the landlord. Subsidies are approved for units, not specific tenants. Onus in on the landlord to be approved and apply and must maintain specific guidelines. Lease must pay for the heat under the program.
6 Rental Supplement Program	Must be working.	0	
7 CityFHEPS		0	
8 Administration for Children's Services Housing Subsidy Program		0	
9 GR Housing Subsidy and Case Management Program		0	
10 Housing Instability Prevention Program		0	
11 Bridge Rental Subsidy Program	Tenant must work with services coordinator. Office of Homeless Services handles inspection and recertification.	1	Operations align with HCV programming.
12 Housing Grants	Have 8 staff and need more, appears to have high administrative burden.	0	
13 Regional long-term rent assistance	As part of support services network, case management is included - tenant monitoring is responsibility of landlord.	1	No limit on subsidy use - may use "as long as needed." Funding always available unless the voters change the referendum. Inclusion within the homelessness network.
14 Senior Rental Assistance Program		0	
15 Shallow Rent Program	Landlord/property itself are monitored.	1	Landlords apply for this program. Can layer this program with other subsidies. Works with landlords and property managers who are already familiar with the administrative processes.
SUMMARY INFORMATION		6	

Program	Highlights
1 DC Flex (DC Flexible Rent Subsidy Program)	Participants felt eligibility screening wasn't too onerous. CAAB moved money into checking accounts monthly.
2 Local Rent Supplement Program (LRSP)	
3 Targeted Affordable Housing (TAH)	
4 Canada-Ontario Housing Benefit (COHB)	Direct deposit into the recipients' bank accounts.
5 Rental Subsidy Program	Generally no more than 30% of units within one property have access to the Rental Subsidy Program (income diversity). No waitlist. Subsidy for units are paid to the owners quarterly.
6 Rental Supplement Program	
7 CityFHEPS	
8 Administration for Children's Services Housing Subsidy Program	
9 GR Housing Subsidy and Case Management Program	
10 Housing Instability Prevention Program	
11 Bridge Rental Subsidy Program	If income or household size change, it's on the tenant to recertify with the tenant coordinator.
12 Housing Grants	
13 Regional long-term rent assistance	Financed through a referendum in 2020 that devotes a tax towards rental subsidy.
14 Senior Rental Assistance Program	
15 Shallow Rent Program	Not limited to just PHCD properties - reduces redundancies because landlords are familiar with this process.
SUMMARY INFORMATION	

Appendix 5: National Program Interview Analysis

National Program	Program Detail/Recommendation	Supporting Commentary/Notes
Chicago Low Income Housing Trust Fund <i>Interview with Annissa Lambirth-Garrett, CEO</i>	VLI without access to other services - prioritizes serving those with a gap in access	Intentionally only serves VLI (30% AMI or lower but also cannot be \$0 income)
	Consistent program income - recording fees	Is phasing out its rental support for HHs that need supportive services.
	Direct to landlord program	Serve 30% ami because nobody else was (except Section 8 vouchers/federal vouchers)
	Avoid displacement should be a cornerstone	Quasi-governmental org set up exclusively to administer program
	Reduce admin burden by working directly with the landlords and not tenants	Recording fees and other special set-asides built into the City and County budgets
	Marketing with a landlord program is key to recruitment	Direct to landlord payment
	Flexibility on income possible and recommended	Adamantly does not support tenant-directed programs. Concern about abuse of funds or the possibility a tenant could still be evicted.
	One more year to find another place to live	Legal residence is not a program requirement
		Serves 30% ami and below, but you also have to have some source of income. You can't be zero income.
		Explicitly want to serve the most vulnerable and those with the most need
		We do not do income certifications, finding tenants, help tenants find housing. It is much less burdensome administratively than if we were a tenant-centered program
		Landlord is finding and identifying the tenant
		Landlord recruitment is where we spend a lot of our time. It takes time and effort. And we pay quarterly and in advance.
		Recruiting landlords and marketing the program is a part of what we have to do.
		A landlord only gets a 1-year commitment from us for subsidy. Each year they have to recertify the tenant and agree to another year of the program
		Landlord can lose the subsidy, if they don't adhere to the program requirements in terms of maintaining the unit, etc
		Continues to pay throughout the eviction process - if eviction must occur
		Don't kick you out of the program until you are 35% ami and even at that ami we will give you one remaining year of subsidy to help you get on your feet.
		Landlords do annual income certifications and if someone's income goes up, we decrease the rent subsidy to them. If their income decreases we do not increase the amount of subsidy that goes to them.
		Ensuring that you have a committed, ongoing stream of funding is key.
	How can you ensure you are going to have enough funding for this program so you aren't kicking tenants off of it at some point? In 2017 when I started we had 1,600 units. Now, due in big part to Covid, we have 3,200 units.	
	What is the intent of the program? It is to subsidize rent? Is it to prevent homelessness?	

National Program	Program Detail/Recommendation	Supporting Commentary/Notes
DC Flex, DC Department of Human Services <i>Interview with Noah Abraham, Deputy Administrator, Family Services Administration, Families Division</i>	Make the program accessible for people who otherwise can't access DHS	first tranche of 125 families will have their 5 year program period expire in May of 2024. So we are in the process of "exiting" families in 2024
	Recommends case management when folks are a tenant centered program	I am worried for the other 45% that are not employed - they may not be able to sustain their housing after they leave the program
	tenant centered	Loss of Covid-era programs and the rapid rehousing funding drying up. We were facing a crisis of a large number of families becoming unhoused.
	Serve gap of people - not homeless but could be	We have increased the AMI for both the 500-HH program and the 125-HH program to 40% AMI. Wanted consistency with homeless services.
	Draw people to the entire spectrum of service provision	This program is for no one currently served on the homeless services spectrum. It is for people who are not even experiencing homelessness, but would experience it without this support.
	Looks like cash so landlords don't know tenant has assistance	It is one of my favorite programs we operate. It provides homelessness prevention. It is one of the only programs we have that encourages employment and includes employment as a requirement
	case management to ensure employment goals are achieved and tenants can stay in their apartments.	I would prefer to keep the program separate from homeless services which would make the program more accessible for people who don't normally access DHS.
		Advertising the program actually attracted people to other programs we offer. Applicants came to DHS for DC Flex and then they opted to another, more financially-rich, program.
		Intentionally remain invisible to the landlord so that rent won't increase once they know a family is enrolled in the program.
		The use of escrow accounts and the flexibility of the funds created visibility for families that they have funding and that they manage it.
		They are now establishing savings accounts of their own.
		Learned that 55% of the families are employed and the rest are not; so i am worried about the families that are not. Will they be able to sustain the units?
		Would be ideal to really encourage case management and help people to move to better and more stable employment
Miami Senior Rental Assistance Program <i>Interview with Alberte Bazile, Director of Housing and Social Services</i>	Can serve people with 0 income	Received HUD funding under HOME/ARP - we assist with moving assistance/ application fees/ utility deposit over a period of one year. We assist you with a portion of your rent each month based on your income bracket - some ppl have zero income in the program and we cover the full income
	up to 1 year of assistance	Have many programs that they cannot renew because lack of funding - grant based.
	landlord directed payment	The rental subsidy is paid to the landlord directly.
	need for case management	Reimburse to the tenant is utility connection; application fees.
	Security deposit to the tenant - admin??	Want to be more specific with the tenants on what is an eligible, reimbursable expense. Had to do everything on a reimbursement basis, which led to confusion and to ineligible expenses we couldn't reimburse for
	outsources support services	Had to clarify with the landlords that the tenant would get the security deposit back at the end of one year.
	Work only with the landlord - don't be middle man	We became the middle man, tenant complain about landlord and then we have tell tenant they have to work directly with their landlord on issues.
	Ensure grants allow an admin amount for staffing - needed for inspections	Can only assist you if you fall behind later (by using the other, emergency support funds we have through other programs)
		Part of our supportive services under this program- we send them to our non-profit partners and their workforce training programs.
		Only about 2 ppl went through that workforce training program. We started with 50 but only 2 went through the program.
		Recertification after the first 3 months before year end
		Decided to size the funding to the gap between rent and a HHs income to allow the funds to extend to more households.
		Giving the \$500/\$1k per household doesn't work b/c it doesn't make the cut. Rent is so high - over \$2k per unit and so because of how high our rents are, we needed to size the subsidy this way.
		Have clear guidelines; don't make it bulky. 2 or 3 page program guidelines is just enough
		Be flexible to amend. Be ready to amend your program guidelines b/c you will have to tweak it as you progress.
		You need to have your staff on the same page; they need to know the program guidelines and how they change over time.
	One, dedicated person in charge of this program can help make things clear.	
	HOME ARP allowed 15% admin (needed b/c of inspections,too). So we had one staff member devoted to that.	

Appendix 6: Alexandria Community Meeting Chat Analysis

Themes	Program Detail/ Recommendation	Supporting Comments from Community Meeting
Strong presence from Spanish speakers	<ul style="list-style-type: none"> - Unit subsidy in areas with high concentrations of Spanish speakers. - Develop partnerships with landlords based on geography. - Prioritize based on the ability to retain tenants from within the neighborhood, reducing displacement. - Integrate support centers/office locations where the geography is chosen. 	<p>Over 90 people registered by TUW, overwhelmingly strong presence from Spanish speakers reiterating that the rent is too high. English speakers affirm the rent is too high, as well. Cannot move, our jobs and kids' schools are here. Commenter in the chat shared that the Northern VA Community Foundation found that immigrant families are disproportionately cost burdened. How can we serve without proof of residency? "Muchos programas nosotros los Latinos no calificamos." Need to ensure this program can serve Hispanic and Latin households. Waiting for vouchers or rental assistance, especially in Chirilagua. The waitlist is affecting spanish speaking households and English speaking households. Many people are waiting for "cupones." Want to know when there will be help.</p>
The rent is too high! Income is too low!	<ul style="list-style-type: none"> - Cover utilities and "arbitrary" fees. - Connect participating tenants with partnering organizations to access needed resources, such as food and utility supports in the winter. - Avoid counting the program towards total maximum rent qualifications or risk negatively impacting other benefits. (payment to landlord for the rent would alleviate that.) - Flexible work requirements or no work requirements that give folks leeway if they lose employment unexpectedly. - Avoid proof of income requirements. 	<p>Interested in new rental assistance, need to find places to live where the rent is lower, the rent is not even within reach. "Por cubrir las altas rentas no puedes cubrir otras necesidades porque nuestros salarios son bajos y una familia de 4 no puedes cubrir una renta 2200 que es lo está la renta" To cover the high rents, we can't pay for other necessities, because our salaries are too low. One family of 4 cannot cover rent at \$2200, but that's the rent. Some people just cannot pay the amounts they currently have.</p> <p>Want opportunities but the income is just too low when rent is so high. "Solo se gana para pagar la renta más los billes el costo incrementa." Only earn enough to pay the rent and bills and it increases. Less work available. People are having trouble finding work or fixed income because lower availability of work. Would this program count as extra income and affect other benefits? Often times need 2 jobs to be able to pay just for the rent. How can the city help those whose income is below the "minimum" income level per year?</p>
Rent is increasing/Rent control	<ul style="list-style-type: none"> - Ensure that subsidized units are long term leases, like 2 or more years. - Develop a structure where landlords agree to maintain the rent at the same cost for units in the program as long as the tenant "is in compliance." - Prioritize large units that can accommodate large households. 	<p>Want to see a change in rent, the rent has been going up a lot recently. Want families to stay together, but kids cannot afford to move to Alexandria and units aren't big enough for everyone in one unit. Already can't pay the current rent. The rent is increasing \$500. Nothing is changing and the rent still increases. Some rents are increasing with renovations, also.</p> <p>The rent is increasing year to year and how can we consider limiting? Better to talk about lowering the rent instead of helping with a payment. Wonder how to support rent controlled buildings as a solution to rising rents. Can Alexandria implement rent control? Rent control should be a solution and many commenters would like this explored as a solution.</p>
Other expenses are unaffordable (utilities, "aguas negras", bills, building fees - unnecessary)	<ul style="list-style-type: none"> - Allow flexibility to create "emergency fund" or payment system for utilities and additional payments. - Approve units/landlords based on compliance and quality/efficiency of apartment - Allow funds to cover the costs of utilities 	<p>Additional costs are not affordable once the rent is paid. Utilities and "las aguas negras" in the area are an issue for this group. Can't pay for other necessities with rent this high."el problema en general es que se gana menos y no alcanzamos para renta a parte de gastos." Work so much just to pay the rent. Internet costs too much, as well. Electricity costs up to \$200 for 2 bedrooms. 75% of income goes to rent. Utility costs rising. Getting charged for building fees - like the pool or internet that aren't going to use all year. The rent is too much and these extra costs are an additional burden.</p>
Substandard housing (predatory landlords)	<ul style="list-style-type: none"> - Develop community partnership with local landlords and tenants. - Run the program administration through a local organization that can more openly support tenants and enforce landlord compliance. - Ensure a payment tracking system that is transparent and allows all parties to access. 	<p>Identifies that if households get help with the rent, then the landlords just raise the rent the year after: "es que si nos ayudan con la RENTA LOS QUE RENTAN SE APROVECHAN DE NOSOTROS, Y NO NOS QUIEREN AYUDAR ENTONCES MEJOR HABLAR PARA QUE BAJEN LA RENTA,, ESO DE QUE NOS AYUDEN SI NOS BENEFICIA PERO AL AÑO SUBE DE \$300 A \$500." Pay so much and the apartments are so unsafe/low quality. The number of people saying their utilities are high cost, shows a lack of quality apartments, or apartments lacking efficiency. "Ganamos menos y la renta es más alta y no sabemos que hacer para poder vivir en un lugar dignamente." The programs should benefit families and not the bad landlords/owners in Alexandria. Need to protect families. Need to be responsible organizations that are giving out the funds. Could payments that go directly to landlords be tracked by tenants? How can tenants know that landlords are getting payments?</p>

Appendix 7: Scenario Models Methodology

This document provides a step-by-step methodology to model three different Local Rent Supplement Program (LRSP) scenarios for the City of Alexandria. Data is created, transformed, and visualized using the R coding language. The R libraries used for this analysis are listed below.

```
library(tidyverse)
library(scales)
library(kableExtra)
library(formattable)
library(gt)
library(ggtext)
library(janitor)
```

A7.1 Standard parameters

Income limits

The models use HUD's FY 2023 Multifamily Tax Subsidy Projects (MTSP) Income Limits for Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area.¹ These are the official income limits used to determine eligibility for LIHTC projects and other affordable multifamily properties financed by tax-exempt bonds.

While the MTSP limits differ slightly from the standard income limits used for Housing Choice Vouchers, public housing, and other HUD-supported assistance programs, they are used here because they publish limits for a greater range of AMI levels, including 40% AMI and 60% AMI. The City of Alexandria generally uses MTSP limits for its housing programs.

Table 1: FY 2023 MTSP Income Limits for Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area

AMI	1 person	2 person	3 person	4 person	5 person	6 person
20% AMI	\$21,100	\$24,120	\$27,140	\$30,140	\$32,460	\$34,980
30% AMI	\$31,650	\$36,180	\$40,710	\$45,210	\$48,840	\$52,470
40% AMI	\$42,200	\$48,240	\$54,280	\$60,280	\$65,210	\$69,960
50% AMI	\$52,750	\$60,300	\$67,850	\$75,350	\$81,400	\$87,450
60% AMI	\$63,300	\$72,660	\$81,420	\$90,240	\$97,460	\$104,940
70% AMI	\$73,850	\$84,240	\$94,990	\$105,490	\$113,960	\$122,430
80% AMI	\$84,400	\$96,480	\$108,560	\$120,560	\$130,240	\$139,920

¹FY 2023 MTSP Income Limits (Accessed 2024-01-19)

Fair Market Rents

Models where the rent subsidy is calculated based on Fair Market Rents (FMR) use the current Small Area Fair Market Rents (SAFMR) adopted by the Alexandria Redevelopment and Housing Authority for 2023. SAFMRs are provided by ZIP code.

While actual subsidy amounts will depend on the ZIP code where the tenant lives, models will use the average values (by unit size) across all ZIP codes. This is a simplification to avoid making assumptions about the geographic distribution of participating households.

Table 2: ARHA 2023 Payment Standards

ZIP code	Studio	1 bedroom	2 bedroom	3 bedroom	4 bedroom
22301	\$2,013	\$2,046	\$2,332	\$2,915	\$3,476
22302	\$1,980	\$2,013	\$2,288	\$2,860	\$3,410
22304	\$1,914	\$1,947	\$2,211	\$2,761	\$3,300
22305	\$1,859	\$1,892	\$2,156	\$2,695	\$3,212
22311	\$1,936	\$1,969	\$2,244	\$2,805	\$3,344
22312	\$1,848	\$1,870	\$2,134	\$2,673	\$3,179
22313	\$1,782	\$1,815	\$2,068	\$2,585	\$3,080
22314	\$2,563	\$2,607	\$2,970	\$3,718	\$4,433
Average	\$1,986.88	\$2,019.88	\$2,300.38	\$2,876.50	\$3,429.25

A7.2 Scenario A - Reduce Cost Burden for 30% to 50% AMI Households

This scenario outlines a LRSP with a total annual allocation of \$500,000. The primary goal of the program is to reduce housing cost burden among households with incomes between 30% and 50% AMI. The model uses the following inputs to estimate the number of households served.

Variable	Input
<i>Total program budget</i>	\$500,000
<i>Eligibility</i>	Household income between 30% and 50% AMI
<i>Subsidy amount</i>	Difference between the affordable monthly rent at 60% AMI and the affordable monthly rent at 40% AMI
<i>Distribution of household sizes among participants</i>	15% - 1-person 15% - 2-person 20% - 3-person 20% - 4-person 20% - 5-person 10% - 6-person
<i>Administrative overhead</i>	15% of total program budget

Notes:

- No other eligibility conditions apply.
- “Affordable monthly rent” is 30% of gross household income.
- The subsidy calculated for each household is respective to their household size. No assumed breakdown of households by AMI is needed.
- The administrative overhead includes housing-specific case management.

Inputs

Assign budget (dollars) and overhead costs (percent) variables:

```
# Budget allocation
sA_budget <- 500000

# Overhead percentage
sA_overhead <- 0.15
```

Assign household distributions by household size (number of persons):

```
# Distribution of households by household size
sA_person <- tibble(
  hh_size = paste0("person", 1:6),
  pct = c(0.15, 0.15, 0.20, 0.20, 0.20, 0.10)
)
```

Calculations

Calculate affordable rents at 40% AMI and 60% AMI for households with 1 to 6 persons (hh_size) to determine monthly subsidy amounts (subsidy):

```
# Monthly subsidy about by household size
sA_subsidy <- hud_ami |>
  filter(
    AMI %in% c("40% AMI", "60% AMI"), # 40% and 60% AMI only
    str_detect(hh_size, "[123456]") # 1-6 person households only
  ) |>
  mutate(
    aff_rent = income/12 * 0.3 # 30% of monthly income
  ) |>
  select(-3) |>
  pivot_wider(
    names_from = AMI,
    values_from = aff_rent
  ) |>
  mutate(
    subsidy = `60% AMI` - `40% AMI` # Calculate subsidy
  ) |>
  select(1, 4)
```

hh_size	subsidy
person1	527.50
person2	610.50
person3	678.50
person4	749.00
person5	806.25
person6	874.50

Join the monthly subsidy amounts by household size (subsidy) and calculate annual subsidy per household (subsidy_annual):

```
# Annual subsidy per household size
sA_subsidy_annual <- sA_person |>
  left_join(sA_subsidy) |>
  mutate(subsidy_annual = subsidy * 12)
```

hh_size	pct	subsidy	subsidy_annual
person1	0.15	527.50	6330.00
person2	0.15	610.50	7326.00
person3	0.20	678.50	8142.00
person4	0.20	749.00	8988.00
person5	0.20	806.25	9675.00
person6	0.10	874.50	10494.00

Calculate the theoretical share of subsidy allocated for each household size (subsidy_share). Determine the number of households served (hh_served) by normalizing subsidy_share to the known budget, then calculate the budget share (budget) for each household size:

```
# Annual subsidy per household type
sA_served <- sA_subsidy_annual |>
  mutate(
    subsidy_share = subsidy_annual * pct, # Subsidy per HH type
    hh_served = # Adjust to known budget
      pct*(
        sA_budget * (1 - sA_overhead)
      )/sum(subsidy_share)
  ) |>
  mutate(budget = hh_served * subsidy_annual)
```

hh_size	subsidy_annual	subsidy_share	budget	hh_served
person1	6330.00	949.50	47706.23	7.537
person2	7326.00	1098.90	55212.62	7.537
person3	8142.00	1628.40	81816.57	10.049
person4	8988.00	1797.60	90317.78	10.049
person5	9675.00	1935.00	97221.24	10.049
person6	10494.00	1049.40	52725.56	5.024
Total	-	-	425000.00	50.244

Model results

Round each estimate to the nearest whole number and determine total:

```
# Rounded estimates with grand total
sA_estimate <- sA_served |>
  select(1, 7, 6) |>
  mutate(
    hh_served = round(hh_served),
    hh_size = case_match(
      hh_size,
      "person1" ~ "1 person",
      "person2" ~ "2 person",
      "person3" ~ "3 person",
      "person4" ~ "4 person",
      "person5" ~ "5 person",
      "person6" ~ "6 person"
    )
  ) |>
  adorn_totals()
```

Table 4: Scenario A - Estimated Households Served by Household Size

Household size	Annual cost	Households served
1 person	\$47,706	8
2 person	\$55,213	8
3 person	\$81,817	10
4 person	\$90,318	10
5 person	\$97,221	10
6 person	\$52,726	5
Total	\$425,000	51

i Scenario A results

Average annual program cost per household: \$9,803.92

Under Scenario A, a total program budget of \$500,000 with a 15% administrative overhead leaves \$425,000 to fund rental assistance. Given the assumed household distribution by household size, the total number of households served is 51.

A7.3 Scenario B - Stabilize Unhoused Persons

This scenario outlines a LRSP serving a total of 150 households experiencing housing insecurity. The primary goal of the program is to provide deep rental assistance to help these households achieve housing stability and avoid homelessness. The model uses the following inputs to estimate the annual program cost required to serve 150 households.

Variable	Input
<i>Total households served</i>	150
<i>Eligibility</i>	Household/individual determined to be homeless in City's annual Point-in-Time count
<i>Subsidy amount</i>	Difference between the affordable monthly rent at 60% AMI and the households' current affordable monthly rent
<i>Distribution of household types among participants</i>	2/3 - Single-person 1/3 - Household with children
<i>Distribution of unit sizes among participants</i>	2/3 - Studios 1/3 - 2-bedroom
<i>Distribution of incomes among participants</i>	50% - SSI income 50% - \$1,500 per month
<i>Administrative overhead</i>	20% of total program budget

Notes:

- No other eligibility conditions apply.
- "Affordable monthly rent" is 30% of gross household income.
- The subsidy calculated for each household is respective to their household size.
- The administrative overhead is higher than Scenario A to accommodate more intensive case management requirements for persons experiencing homelessness.

Inputs

Assign households served and overhead costs (percent) variables:

```
# Total households served
sB_hh_served <- 150

# Overhead percentage
sB_overhead <- 0.20
```

We can reasonably assume that all single-person households will live in studios, while all households with children will live in 2-bedroom units. Therefore, we do not need separate distribution shares for each. However, we do need to determine more specific household sizes.

For this model, among households with children, we will assume the following breakdown, as shown in the code below:

- 1/2 are 2-person (adult and child)
- 1/4 are 3-person (adult and two children, or two adults and child)
- 1/4 are 4-person (adult and three children, or two adults and two children)

```
# Distribution of households by size
sB_person <- c(
  `person1` = 0.667, # 2/3
  `person2` = 0.167, # 1/2 of 1/3
  `person3` = 0.083, # 1/4 of 1/3
  `person4` = 0.083 # 1/4 of 1/3
)
```

Assign household distribution by income and calculate :

```
# Distribution of households by income
sB_income <- c(`ssi` = 0.5, `1500` = 0.5)
```

Because SSI amounts depend on whether the beneficiary lives alone or is married, their affordable rents will vary. However, due to the relatively small share of households in this model that could include two married adults, we will assume that any persons enrolled in SSI receive benefits for an individual. The current monthly SSI amount for an eligible individual is \$943.²

```
# Monthly SSI income for eligible individual
sB_ssi <- 943
```

²[SSI Federal Payment Amounts for 2024](#) (Accessed 2024-01-19)

Calculations

Calculate affordable rents for SSI income and \$1,500/month (`income_source`) for households with 1 to 4 persons (`hh_size`) to determine monthly subsidy amounts (`subsidy`):

```
# Monthly subsidy about by household size
sB_subsidy <- hud_ami |>
  filter(
    AMI %in% c("60% AMI"),          # 60% AMI only
    str_detect(hh_size, "[1234]") # 1-4 person households only
  ) |>
  mutate(
    aff_rent_60ami = income/12 * 0.3 # 30% of monthly income
  ) |>
  select(2, 4) |>
  mutate(
    `ssi` = sB_ssi * 0.3, # 30% of SSI
    `1500` = 1500 * 0.3 # 30% of $1,500
  ) |>
  pivot_longer(
    3:4,
    names_to = "income_source",
    values_to = "aff_rent"
  ) |>
  mutate(
    subsidy = aff_rent_60ami - aff_rent # Calculate subsidy
  ) |>
  select(3, 1, 5)
```

income_source	hh_size	subsidy
ssi	person1	1299.60
	person2	1533.60
	person3	1752.60
	person4	1973.10
1500	person1	1132.50
	person2	1366.50
	person3	1585.50
	person4	1806.00

Tabulate unique shares for both income source and household size:

```
sB_dist <- expand.grid(  
  income_source = names(sB_income),  
  hh_size = names(sB_person)  
) |>  
mutate(pct = sB_income[income_source] * sB_person[hh_size])
```

income_source	hh_size	pct
ssi	person1	0.3335
	person2	0.0835
	person3	0.0415
	person4	0.0415
1500	person1	0.3335
	person2	0.0835
	person3	0.0415
	person4	0.0415

Multiply each household share by the total number of households served (150) to determine the respective number served for each group (hh_served), rounded to the nearest whole number:

```
sB_served <- sB_dist |>  
mutate(hh_served = round(pct * sB_hh_served))
```

Model results

Join the monthly subsidy amounts (`subsidy`) by income source and household size and calculate annual subsidy per household (`subsidy_annual`). Multiply that figure by the number of households served to calculate the rental assistance required (`budget_rent`), then re-total to account for overhead costs (`budget_total`):

```
sB_budget <- sB_served |>
  left_join(sB_subsidy, join_by(income_source, hh_size)) |>
  mutate(
    subsidy_annual = subsidy * 12,
    budget_rent = subsidy_annual * hh_served,
    budget_total = budget_rent / (1 - sB_overhead)
  ) |>
  select(1, 2, 4, 7, 8) |>
  arrange(desc(income_source)) |>
  adorn_totals()
```

Table 6: Scenario B - Estimated annual budget by income source and household size

Income source	Household size	Households served	Estimated budget	
			Rental assistance	Overhead included
SSI	1 person	50	\$779,760.00	\$974,700.00
	2 person	13	\$239,241.60	\$299,052.00
	3 person	6	\$126,187.20	\$157,734.00
	4 person	6	\$142,063.20	\$177,579.00
\$1,500/month	1 person	50	\$679,500.00	\$849,375.00
	2 person	13	\$213,174.00	\$266,467.50
	3 person	6	\$114,156.00	\$142,695.00
	4 person	6	\$130,032.00	\$162,540.00
Total	-	150	\$2,424,114.00	\$3,030,142.50

i Scenario B results

Average annual program cost per household: \$20,200.95

Under Scenario B, a total of 150 households experiencing housing insecurity are served. Although two-thirds are individuals who have lower housing costs than households with children, the average cost per household is over twice that of Scenario A, due to the deep level of subsidy provided. The estimated annual cost for the rental assistance alone is \$2,424,114.00. Coupled with a higher administrative overhead for expanded case management (20%), the total projected funding required is \$3,030,142.50.

A7.4 Scenario C – Reduce Severe Cost Burden for Lower-Income Working Families

This scenario outlines a LRSP with a total annual allocation of \$500,000. The primary goal of the program is to reduce housing cost burden among households with incomes between 30% and 50% AMI. Households must have one working adult and one or more dependent. The model uses the following inputs to estimate the number of households served.

Variable	Input
<i>Total program budget</i>	\$500,000
<i>Eligibility</i>	Household income between 30% and 50% AMI At least one working adult At least one dependent
<i>Subsidy amount</i>	Difference between the SAFMR and 40% AMI of gross household income
<i>Distribution of household sizes among participants</i>	15% - 2-person 25% - 3-person 25% - 4-person 25% - 5-person 10% - 6-person
<i>Distribution of incomes among participants</i>	25% - 30% AMI 50% - 40% AMI 25% - 50% AMI
<i>Administrative overhead</i>	15% of total program budget

Notes:

- SAFMR refers to the Small Area Fair Market Rent as adopted by Alexandria Redevelopment and Housing Authority (ARHA) for 2023.
- The affordable monthly rent is 40% of gross household income, not the standard 30%.
- The subsidy calculated for each household is respective to their household size.
- Families will only occupy 1-bedroom, 2-bedroom, or 3-bedroom units.
- The administrative overhead includes housing-specific case management.

Inputs

Assign budget (dollars) and overhead costs (percent) variables:

```
# Budget allocation
sC_budget <- 500000

# Overhead percentage
sC_overhead <- 0.15
```

Assign household distributions by AMI and household size (number of persons):

```
# Distribution of households by AMI
sC_ami <- c(`30% AMI` = 0.25, `40% AMI` = 0.50, `50% AMI` = 0.25)

# Distribution of households by household size
sC_person <- tibble(
  hh_size = paste0("person", 2:6),
  pct = c(0.15, 0.25, 0.25, 0.25, 0.10)
)
```

Because subsidy amounts will be calculated using SAFMR, we also need to estimate household shares across units by size (number of bedrooms). The model will use the following assumptions:

- 2-person: 100% 1-bedroom
- 3-person: 10% 1-bedroom, 90% 2-bedroom
- 4-person: 80% 2-bedroom, 20% 3-bedroom
- 5-person: 100% 3-bedroom
- 6-person: 100% 3-bedroom

```
# Distribution of household sizes by unit size
sC_unit <- list(
  `person2` = c(`bedroom1` = 1),
  `person3` = c(`bedroom1` = 0.1, `bedroom2` = 0.9),
  `person4` = c(`bedroom2` = 0.8, `bedroom3` = 0.2),
  `person5` = c(`bedroom3` = 1),
  `person6` = c(`bedroom3` = 1)
)
```

persons	bedroom1	bedroom2	bedroom3
person2	1	-	-
person3	0.1	0.9	-
person4	-	0.8	0.2
person5	-	-	1
person6	-	-	1

Create data frame with all permutations for income, unit size, and household sizes. Exclude non-valid combinations of unit and household size:

```
sC_hh_type <- expand.grid(
  AMI = names(sC_ami),
  bedrooms = unlist(lapply(names(sC_unit), function(unit) names(sC_unit[[unit]]))),
  hh_size = sC_person$hh_size
) |>
distinct() |>
filter(
  !(bedrooms == "bedroom1" & !hh_size %in% c("person2", "person3")),
  !(bedrooms == "bedroom2" & hh_size %in% c("person2", "person5", "person6")),
  !(bedrooms == "bedroom3" & hh_size %in% c("person2", "person3"))
)
```

Calculations

Create a function to tabulates respective household distributions by AMI, household size, and unit type:

```
sC_dist_fn <- function() {

  # Build data frame with AMI and household size distributions
  dist <- expand.grid(
    AMI = names(sC_ami),
    hh_size = sC_person$hh_size
  ) |>
  # Match hh_size with sC_person$hh_size to fetch the correct percentage
  mutate(households = sC_ami[AMI] * sC_person$pct[match(hh_size, sC_person$hh_size)])

  # Initialize an empty data frame for the final distribution
  final_distribution <- data.frame()

  # Iterate distribution by unit size
  for (person in unique(sC_hh_type$hh_size)) {
    current_dist <- subset(dist, hh_size == person)

    for (bedroom_count in names(sC_unit[[person]])) {
      current_dist$bedrooms <- as.character(bedroom_count)

      current_dist$pct <- current_dist$households *
        sC_unit[[person]][bedroom_count]

      final_distribution <- rbind(
        final_distribution,
        current_dist[, c("AMI", "bedrooms", "hh_size", "pct")]
      )
    }
  }

  return(final_distribution)
}

sC_dist <- sC_dist_fn()
```

Calculate affordable rents (`aff_rent`) at 30% AMI, 40% AMI, and 50% AMI for households with 2 to 6 persons (`hh_size`):

```
# Monthly affordable rents by household size
sC_aff_rents <- hud_ami |>
  filter(
    AMI %in% c("30% AMI", "40% AMI", "50% AMI"), # 30%, 40%, and 50% AMI only
    str_detect(hh_size, "[23456]") # 2-6 person households only
  ) |>
  mutate(
    aff_rent = income/12 * 0.4 # 40% of monthly income
  ) |>
  select(-3)
```

AMI	hh_size	aff_rent
30% AMI	person2	1206.00
	person3	1357.00
	person4	1507.00
	person5	1628.00
	person6	1749.00
40% AMI	person2	1608.00
	person3	1809.33
	person4	2009.33
	person5	2173.67
50% AMI	person2	2010.00
	person3	2261.67
	person4	2511.67
	person5	2713.33
	person6	2915.00

Join `sC_hh_type` with average FMR by unit size (`fmr_avg`) and affordable rents (`sC_aff_rents`), then find difference between values to calculate the monthly subsidy (`subsidy`):

```
sC_subsidy <- sC_hh_type |>
  left_join(sC_aff_rents, join_by(AMI, hh_size)) |>
  left_join(fmr_avg) |>
  mutate(subsidy = fmr_avg - aff_rent)
```

AMI	bedrooms	hh_size	aff_rent	fmr_avg	subsidy
30% AMI	bedroom1	person2	1206.00	2019.88	813.88
		person3	1357.00	2019.88	662.88
	bedroom2	person3	1357.00	2300.38	943.38
		person4	1507.00	2300.38	793.38
	bedroom3	person4	1507.00	2876.50	1369.50
		person5	1628.00	2876.50	1248.50
40% AMI	bedroom1	person2	1608.00	2019.88	411.88
		person3	1809.33	2019.88	210.54
	bedroom2	person3	1809.33	2300.38	491.04
		person4	2009.33	2300.38	291.04
	bedroom3	person4	2009.33	2876.50	867.17
		person5	2173.67	2876.50	702.83
50% AMI	bedroom1	person2	2010.00	2019.88	9.88
		person3	2261.67	2019.88	-241.79
	bedroom2	person3	2261.67	2300.38	38.71
		person4	2511.67	2300.38	-211.29
	bedroom3	person4	2511.67	2876.50	364.83
		person5	2713.33	2876.50	163.17
		person6	2915.00	2876.50	-38.50

⚠ Some affordable rents almost equal to FMRs

Note that the subsidies for 5 household types are negligible — under \$50. (See red values.) These cases are the result of higher affordable rents among those earning 50% AMI or more, along with the higher 40% tenant contribution.

For the purposes of this model, these household types with no or very little subsidy need will be excluded. The sum of their respective shares will be redistributed to the remaining 16 household combinations.

Calculate total shares of excluded and remaining household types:

```
sC_excl <- sC_subsidy |>
  left_join(sC_dist, join_by(AMI, bedrooms, hh_size)) |>
  mutate(
    status = case_when(
      subsidy < 50 ~ "exclude",
      subsidy > 50 ~ "retain"
    ),
    .before = 7
  )
```

status	pct
retain	0.825
exclude	0.175

Evenly distributing this 0.175 across the remaining 16 combinations would not respect the original group distributions by AMI and household size. Therefore, this surplus share will be manually redistributed to each remaining combination to ensure the new AMI and household size group subtotals are as close to the original values as possible.

First, we determine the change in shares by each AMI and household size group resulting from excluding the 5 invalid combinations.

```
sC_excl_grp <- sC_excl |>
  select(1:3, 7:8) |>
  mutate(
    pct_excl =
      case_when(
        status == "retain" ~ pct,
        status == "exclude" ~ 0
      )
  )
```

Change in shares grouped by AMI:

AMI	pct	pct_excl	diff
30% AMI	0.25	0.250	0.000
40% AMI	0.50	0.500	0.000
50% AMI	0.25	0.075	-0.175

Change in shares grouped by household size:

hh_size	pct	pct_excl	diff
person2	0.15	0.1125	-0.0375
person3	0.25	0.1875	-0.0625
person4	0.25	0.2000	-0.0500
person5	0.25	0.2500	0.0000
person6	0.10	0.0750	-0.0250

In redistributing these shares, we will need to:

- Significantly increase the remaining 50% AMI household types (4-person and 5-person in 3-bedroom units) to maintain overall balance across AMI groups
- Reduce the corresponding shares in both 30% AMI and 40% AMI groups to maintain overall balance across household sizes
- Slightly increase the 2-person, 3-person, and 6-person household types in both 30% AMI and 40% AMI groups to account for losses within 50% AMI category

To accomplish this, the excluded share is divided into 16 parts (p):

$$p = \frac{0.175}{16} = 0.0109375$$

We can increase or decrease each household combination by a multiple of p as long as the net increase across all households is $+16p$.

The following allocation reproduces the original AMI distribution, and a new household size distribution where each category is within ± 0.02 of the original share.

```
sC_redist <- sC_excl_grp |>
  filter(status == "retain") |>
  select(1, 2, 3, 5) |>
  arrange(AMI, hh_size, bedrooms) |>
  mutate(
    p_shares = case_when(
      AMI == "30% AMI" & bedrooms == "bedroom2" & hh_size == "person4" ~ 0,
      AMI == "30% AMI" & bedrooms == "bedroom3" & hh_size == "person4" ~ -1,
      AMI == "30% AMI" & bedrooms == "bedroom3" & hh_size == "person5" ~ -3,
      AMI == "40% AMI" & bedrooms == "bedroom3" & hh_size == "person4" ~ -2,
      AMI == "40% AMI" & bedrooms == "bedroom3" & hh_size == "person5" ~ -4,
      AMI == "40% AMI" & bedrooms == "bedroom3" & hh_size == "person6" ~ 2,
      AMI == "50% AMI" ~ 8,
      .default = 1
    ),
    pct_redist = pct + (p*p_shares)
  )
```

AMI	bedrooms	hh_size	pct	p_shares	pct_redist
30% AMI	bedroom1	person2	0.0375	1	0.0484
		person3	0.0063	1	0.0172
	bedroom2	person3	0.0562	1	0.0672
		person4	0.0500	0	0.0500
	bedroom3	person4	0.0125	-1	0.0016
		person5	0.0625	-3	0.0297
person6		0.0250	1	0.0359	
40% AMI	bedroom1	person2	0.0750	1	0.0859
		person3	0.0125	1	0.0234
	bedroom2	person3	0.1125	1	0.1234
		person4	0.1000	1	0.1109
	bedroom3	person4	0.0250	-2	0.0031
		person5	0.1250	-4	0.0813
person6		0.0500	2	0.0719	
50% AMI	bedroom3	person4	0.0125	8	0.1000
		person5	0.0625	8	0.1500

Original distribution of households by AMI retained:

AMI	pct_redist
30% AMI	0.25
40% AMI	0.50
50% AMI	0.25

New distribution of households by household size:

hh_size	pct_redist
person2	0.1344
person3	0.2313
person4	0.2656
person5	0.2609
person6	0.1078

Rejoin the redistributed households with the calculated subsidy amounts per household:

```
sC_redist_subsidy <- sC_subsidy |>
  right_join(sC_redist, join_by(AMI, bedrooms, hh_size)) |>
  select(1:3, 6, 9)
```

AMI	bedrooms	hh_size	subsidy	pct_redist
30% AMI	bedroom1	person2	813.88	0.0484
		person3	662.88	0.0172
	bedroom2	person3	943.38	0.0672
		person4	793.38	0.0500
	bedroom3	person4	1369.50	0.0016
		person5	1248.50	0.0297
40% AMI	bedroom1	person2	411.88	0.0859
		person3	210.54	0.0234
	bedroom2	person3	491.04	0.1234
		person4	291.04	0.1109
	bedroom3	person4	867.17	0.0031
		person5	702.83	0.0813
50% AMI	bedroom3	person4	364.83	0.1000
		person5	163.17	0.1500

Calculate annual subsidy per household (subsidy_annual) and the theoretical share of subsidy allocated for each household (subsidy_share). Determine the number of households served (hh_served) by normalizing subsidy_share to the known budget:

```
# Annual subsidy per household type
sC_subsidy_annual <- sC_redist_subsidy |>
  mutate(subsidy_annual = subsidy * 12) |>
  select(AMI, bedrooms, hh_size, "pct" = pct_redist, subsidy_annual) |>
  mutate(
    subsidy_share = subsidy_annual * pct, # Subsidy per HH type
    hh_served = # Adjust to known budget
      pct*(
        sC_budget * (1 - sC_overhead)
      )/sum(subsidy_share)
  )
```

AMI	bedrooms	hh_size	subsidy_annual	subsidy_share	hh_served
30% AMI	bedroom1	person2	9766.50	473.06	3.257
		person3	7954.50	136.72	1.156
	bedroom2	person3	11320.50	760.60	4.518
		person4	9520.50	476.03	3.362
	bedroom3	person4	16434.00	25.68	0.105
		person5	14982.00	444.78	1.996
40% AMI	bedroom1	person2	4942.50	424.75	5.778
		person3	2526.50	59.21	1.576
	bedroom2	person3	5892.50	727.36	8.300
		person4	3492.50	387.45	7.459
	bedroom3	person4	10406.00	32.52	0.210
		person5	8434.00	685.26	5.463
50% AMI	bedroom3	person4	4378.00	437.80	6.724
		person5	1958.00	293.70	10.086

Calculate and summarize the estimated budget and households served by AMI and household size:

```
sC_served <- sC_subsidy_annual |>
  mutate(budget = hh_served * subsidy_annual) |>
  summarise(
    budget = sum(budget),
    hh_served = sum(hh_served),
    .by = c(AMI, hh_size)
  )
```

AMI	hh_size	budget	hh_served
30% AMI	person2	31808.22	3.257
	person3	60334.15	5.673
	person4	33733.82	3.467
	person5	29906.27	1.996
	person6	32693.73	2.416
40% AMI	person2	28559.34	5.778
	person3	52887.90	9.876
	person4	28238.06	7.669
	person5	46076.10	5.463
	person6	31577.35	4.833
50% AMI	person4	29437.07	6.724
	person5	19747.98	10.086
Total	-	425000.00	67.239

Model results

Round each estimate to the nearest whole number and determine total:

```
# Rounded estimates with grand total
sC_estimate <- sC_served |>
  arrange(AMI, hh_size) |>
  mutate(
    hh_served = round(hh_served),
    hh_size = case_match(
      hh_size,
      "person2" ~ "2 person",
      "person3" ~ "3 person",
      "person4" ~ "4 person",
      "person5" ~ "5 person",
      "person6" ~ "6 person"
    )
  ) |>
  adorn_totals()
```

Table 8: Scenario C - Estimated Households Served by Household Size

Income	Household size	Budget	Households served
30% AMI	2 person	\$31,808	3
	3 person	\$60,334	6
	4 person	\$33,734	3
	5 person	\$29,906	2
	6 person	\$32,694	2
40% AMI	2 person	\$28,559	6
	3 person	\$52,888	10
	4 person	\$28,238	8
	5 person	\$46,076	5
	6 person	\$31,577	5
50% AMI	4 person	\$29,437	7
	5 person	\$19,748	10
Total	-	\$425,000	67

i Scenario C results

Average annual program cost per household: \$7,462.69

Under Scenario C, a total program budget of \$500,000 with a 15% administrative overhead leaves \$425,000 to fund rental assistance. Given the assumed household distributions by AMI, unit size, and household size, the total number of households served is 67.

Appendix 8: LRSP Priority Analysis

The table below ranks each of the four approaches based on their ability to address the priorities of equity, displacement, benefit gaps or cliffs, and administrative burden. A score of 3 indicates the highest ability and a score of 1 the lowest ability.

Household size	Equity	Displacement	Benefit Gaps or Cliffs	Administrative Burden	Total Score
Project-based subsidy	1	3	3	3	10
Tenant-based subsidy	2	2	1	1	6
Cash payment (landlord)	3	1	1	2	7
Cash payment (tenant)	3	1	2	1	7