

NOTE TO ADVOCATES RE SMALL AREA FMR IMPLEMENTATION

The key features of the HCV program are housing choice and mobility. Voucher families, however, often find themselves limited to certain neighborhoods based on the subsidy amount provided by the local PHA. The amount of the subsidy (payment standard) is based on HUD's Fair Market Rents (FMRs). Traditionally, HUD sets one FMR for a large geographic region, resulting in a subsidy level that does not match the local rental market.

In 2016, the Department of Housing and Urban Development (HUD) finalized a rule that would change the way FMRs are calculated in some areas. Small Area FMRs (SAFMR), in contrast, calculate the value of a voucher based on zip codes and therefore capture more granular discrepancies in rents across neighborhoods. SAFMRs allow voucher families to move to lower poverty neighborhoods, giving voucher holders access to communities that are more likely to have quality jobs, reliable transportation, and high performing schools. Communities that voucher families would be unable to afford if the PHA applies traditional FMRs.

The National Housing Law Project (NHLP) and the Poverty and Race Research Action Council (PRRAC) are tracking the implementation of SAFMR. Through our review of documents, we have noticed several trends. Many housing authorities have voiced concern about the impact of SAFMR implementation on its budget and internal procedures, and many have reduced payment standards in higher-rent areas, blunting the impact of the new rule. We have also noticed that many PHAs are not notifying tenants about their potential new housing opportunities in lower poverty neighborhoods. Additionally, many housing authorities within regions have not collaborated with one another to develop a regional implementation plan.

NHLP and PRRAC created a list of items advocates should consider requesting from its housing authority. These items will provide data that can be used to evaluate housing authorities' implementation of SAFMR. We have listed the items in categories. Advocates should feel free to use the listed items in a public records request letter.¹ NHLP and PRRAC will continue to track the implementation of SAFMR and would appreciate any documents you would be willing to share.

¹National Housing Law Project and Poverty and Race Research Action Council, Public Request for Information Letter Template, <https://www.nhlp.org/wp-content/uploads/2018/05/FINAL.-PRA-Letter-temp..docx>.

For more information about SAFMR, please contact Deborah Thrope (dthrope@nhlp.org), Philip Tegeler (ptegeler@prrac.org), or Bridgett Simmons (bsimmons@nhlp.org).

HA BUDGET

1. What methodology or tool is the PHA using to forecast its future budget needs?
2. How much does the PHA have in administrative reserves? Is there a purpose set aside for any funds currently in administrative reserves?
3. Records reflecting or describing the [PHA'S NAME] most recent budget, including but not limited to employee salary and expenses and audits of PHA finances.

MOBILITY QUESTIONS

1. List of addresses of properties leased up by holders of Section 8 vouchers, or alternatively, a breakdown by zip code of the number of properties leased up by Section 8 voucher holders within each zip code in 2016, 2017, and 2018.
2. The current list of addresses of properties newly available to be leased up by holders of Section 8 vouchers since April 2018.
3. How many voucher families have relocated to a new unit since April 2018? What zip codes have these families relocated to?
 - a. What are the ethnicity of the families who have used its voucher to relocate?
 - b. What is the size of the families who have used its vouchers to relocate?
 - c. How many families with children have used its voucher to relocate?
4. Number of families who have submitted a request to move.
5. Number of vouchers in each zip code in the HA's jurisdictions for years 2016-2018.

IMPLEMENTATION OF SAFMR

1. PHA policies related to the use of SAFMRs including but not limited to policies that protect tenants from rent increases when there is a reduction in the current payment standard.
2. Any documents or record(s) related to the implementation of SAFMRs including maps, data, or other materials used to determine how to apply SAFMRs and how to determine payment standards.
3. Payment standards for each zip code, and if being used, payment standard tiers and the corresponding zip codes.
4. Any waiver request(s) submitted to the Department of Housing and Urban Development (HUD) related to SAFMRs including all documentation and/or record(s) that indicates adverse market conditions.
5. All documentation regarding the development and implementation of an alternative payment standard if SAFMRs will not be employed by the PHA. **(MTW Agencies only)**

COMMUNICATION WITH TENANTS

1. Documents related to the information provided to current HCV participants regarding the implementation of SAFMRs, including but not limited to notices about the change in the payment standard for both current and prospective tenants, and the opportunity to move to lower poverty neighborhoods.

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2. Documents related to the information provided to families new to the HCV program regarding the implementation of SAFMRs, including but not limited to notices about the change in the payment standard for both current and prospective tenants, and the opportunity to move to lower poverty neighborhoods.
3. Documents related to the information provided to families on the waiting list for the HCV program regarding the implementation of SAFMRs, including but not limited to notices about the change in the payment standard for both current and prospective tenants.
4. A copy of the current list of landlords or apartments being given to HCV tenants.
5. Is the HA using HUD template notices?

COMMUNICATION WITH LANDLORDS

1. Documents related to the information provided to current HCV landlords regarding the implementation of SAFMRs, including but not limited to notices about the change in the payment standard for both current and prospective tenants.
2. Materials sent to prospective landlords regarding the benefits of SAFMR, and any other documents relating to recruitment of new landlords.
3. Is the HA using HUD template notices?

COMMUNICATION WITH OTHER HAS AND TRADE ORGANIZATIONS

1. Is the HA coordinating with neighboring HAs to:
 1. Set payment standards?
 2. Create notices to applicants, tenants, and landlords?
 3. Assist tenants relocate to higher opportunity communities?
 4. List addresses of properties available to be leased up by holders of Section 8 vouchers?
2. What trade organization is HA apart of?
3. Copies of SAFMR implementation resources used by the HA, including resources provided by HUD, industry organizations, and other third-party sources.
4. Is the HA using trade organization template notices?

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