

Housing Authority of the County of Chester

"On the Road to Excellence"

Public Housing Housing Choice Vouchers Family Self Sufficiency Homeownership HOPE VI

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> Executive Director Dale P. Gravett

Housing Authority of the County of Chester

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March 29, 2018

RE: Changes in payment standards for the Housing Choice Voucher Program: Notice of potential impact

Dear Owner,

Thank you for participating in the Housing Choice Voucher (HCV) program. Your ongoing involvement helps to ensure that low-income families have a safe and stable place to call home.

Beginning on April 1st 2018, the U.S Department of Housing and Urban Development (HUD) is requiring an important change in the way HACC operates the Tenant Based HCV program. Under this new approach, the standard we use to determine the maximum subsidy for a rental unit, known as a payment standard, will be based on rent estimates for each ZIP code. The new ZIP-code level rent estimates are known as Small Area Fair Market Rents (SAFMRs). Please note that Project Based HCV Contracts are exempted from this new program although an owner of a Project Based development may petition the HACC to be included in the SAFMR. We will be meeting with Project Based development owners to discuss this in more detail.

This shift to SAFMRs means that payment standards will now be based on the localized rent for each ZIP code, as opposed to typical rent levels across the entire metropolitan area. The purpose of this change is to promote a more effective system that allows HCV-assisted families to access higher-cost housing in low-poverty areas. As a result, *the payment standard for units you rent through the HCV program may change*. Depending on the ZIP code in which your rental units are located, your tenant's voucher and payment standard may increase, stay the same, or decrease. Please see the attached table, SAFMR Payment Standard by ZIP Code, which list payment standard amounts for all ZIP codes effective <u>April 1st 2018</u>.

As annual reexaminations of income and eligibility for current HCV tenants are conducted, the Housing Assistance Payment provided by HACC will be determined using the new SAFMR payment standards. At that time, you will be given additional information about impacts on tenants who rent units in your properties.

If you have questions about this change or would like additional information, please visit our website at www.haccnet.org or contact your Housing Specialist.

Sincerely

Dale P. Gravett Executive Director,