



April 1, 2018

## **CHANGES IN PAYMENT STANDARDS FOR THE HOUSING CHOICE VOUCHER (HCV) PROGRAM**

Beginning April 1, 2018, the U.S. Department of Housing and Urban Development (HUD) is **requiring** an important change in the way Sacramento County Public Housing Authority (PHA) operates the HCV program. Under the new approach, the payment standard used to determine the maximum subsidy amount the PHA pays to families will be based on fair market rents (FMR) set at the ZIP code level, rather than the previously used metropolitan-area level. The new ZIP code level rent estimates are referred to as Small Area Fair Market Rents (SAFMRs). The purpose of this mandated change by HUD is to promote a more effective system that allows HCV-assisted families to access neighborhoods with good schools, lower crime, high frequency transportation and quality housing.

As a result, the payment standards (amount available for rent and utilities) for units being rented through the HCV program may change. Depending on the ZIP code in which the rental units are located, the participant's payment standard may increase, stay the same, or decrease. Please refer to the SAFMR [Payment Standards](#) by zip code, which lists payment standard amounts for all zip codes effective April 1, 2018.

*If payment standards decrease in zip codes* where you own properties and rent units to voucher families, the Housing Assistance Payment (HAP) you receive from the Sacramento County PHA may be reduced and future participants may be responsible for a larger share of the rent. Such changes **do not impact your current participants** as long as they remain in their current property under the current contract.

*If payment standards increase in zip codes* where you own properties and rent units to voucher families, the Housing Assistance Payment (HAP) you receive from the Sacramento County PHA may increase and the participant may be responsible for a smaller share of the rent or there may not be any change to the participant portion. These changes will be implemented as families complete their annual recertification of eligibility.

Please be aware that the amount you charge for rent must still be "reasonable" when compared to other private market rentals in the area with the same amenities.

Please refer to HUD's Public and Indian Health (PIH) notice 2018-01 and [www.shra.org](http://www.shra.org) under *HCV-Landlord Resources* section for more information.

