

May 8, 2019

The BHA is seeking public comment on its proposal to implement Small Area Fair Market Rents (SAFMRs) effective July 1, 2019.

Summary

The BHA is proposing to expand housing choices for our voucher families throughout Greater Boston while also avoiding artificially inflating market rents in Boston for non-voucher holders by adopting Small Area Fair Market Rents for our Housing Choice Voucher Program. Historically, housing authorities have been limited by the US Department of Housing and Urban Development (HUD) to one payment standard (Fair Market Rent) for each metropolitan area. However under new HUD regulations, we can now adjust our FMR's for each zip code where we assist families, therefore setting a rent structure in much more specific geographic areas. In short, the use of SAFMRs will allow for expanded housing options in many communities currently inaccessible to our voucher holders while avoiding the negative impact of artificially inflating rents in others.

Background

Several years ago, HUD authorized housing authorities to apply SAFMRs, which are different payment standards for every zip code based on actual market rent in that zip code. BHA did not implement at that time because it would have decreased payment standards in certain areas (Roxbury, Dorchester, Mattapan, East Boston, etc.) and would then have financially penalized voucher-holder families in these areas by decreasing BHA rent subsidies to them. This would have required them to choose between paying more of their limited income for rent or to move out of their neighborhoods. The BHA rejected this approach, refusing to financially burden our voucher holders or to exacerbate displacement in these communities.

However, BHA now has a unique opportunity to better serve low- income families by setting payment standards at a zip code level while also avoiding the above mentioned impacts to the program. Due to a rent study, undertaken by the BHA, confirming dramatic increases in Boston area rents, HUD has just approved much higher FMRs and SAFMRs. If BHA introduces one universal new payment standard in all of its zip codes based on one FMR, the payment standard would be much higher than market rents in some neighborhoods like Roxbury, Dorchester, Mattapan, East Boston, and other communities outside of Boston where the BHA administers its voucher program. This risks paying too much subsidy in some zip codes and, as a result, encouraging landlords in those areas to raise their rents in hopes of getting a voucher tenant. This could restrict housing opportunities for low-income families *without* vouchers.

If the BHA implements SAFMRs in order to match actual market rents in its administrative area, communities with lower FMRs will not see rents spike due to the implementation of this policy. This will also allow families to afford to live in areas in and around Boston that they could not previously afford. Furthermore, the BHA has the authority to keep the payment standard the same for all current families in areas where there is a small decline in payment standard under the SAFMR.

Hold Harmless Provision

These changes will not affect any current tenants. The rules regarding implementation of SAFMRs allow the BHA to hold families with current leases in place harmless against such change.

Project Based Voucher Program

The BHA proposes to exclude the Project Based Voucher (PBV) program from the SAFMR implementation. Applying SAFMRs to the PBV portfolio would not make any new units accessible to voucher-holders. SAFMRs will only apply to mobile vouchers. The BHA’s PBV program will continue to rely on the FMR as it does now.

Conclusion

Our goal with this policy change is 1) to prevent displacement of families with or without vouchers and 2) to significantly expand neighborhood choices for low-income voucher-holders. Implementing SAFMRs now will accomplish these goals and will confirm Boston’s housing policy leadership at the state and national level, and it represents the right move at this juncture to maximize housing access and equity for our lowest-income residents.

For zip codes where the BHA administers its voucher program outside of Boston, BHA is seeking guidance through the public comment period to promote as much consistency as possible. **The full details of the proposed payment standards are in the attached chart.**

It is our hope that other organizations that administer Housing Choice Vouchers in the region follow BHA’s lead. If they do not make this change, they too run the risk of accelerating displacement in some neighborhoods in and around Boston. In addition to its voucher residents and landlords, the BHA also seeks comments and guidance from its regional partners where a lower payment standard may actually be sufficient to continue to allow access to apartments for a Housing Choice Voucher family.

The public comment period will begin at 9:00 am on May 10, 2019 and will end at 4:00 pm on June 24, 2019. A public hearing will be held at the Copley Square Branch of the Boston Public Library, Commonwealth Salon, on June 11 at 6:00 pm. Comments may be submitted by mail or email to David Gleich, Chief of Leased Housing Programs, Boston Housing Authority, 52 Chauncy Street, Boston MA, 02111 or at david.gleich@bostonhousing.org.

Sincerely,

Bill McGonagle
Administrator

This is an important document. If you require interpretation, please call the telephone number below or come to our offices.

Este es un documento importante. Si requiere de interpretación, por favor llame al número telefónico que aparece a continuación o acuda a nuestras oficinas.

這是一份非常重要的文件。如果您需要翻譯服務，請撥下面的電話或前往我們的辦公室

Isto é um documento importante. Se exige interpretação, por favor chama o número de telefone embaixo ou vem a nossos escritórios.

Это важный документ. Если Вам требуется перевод, пожалуйста позвоните нам (телефонный номер ниже). Или придите в наш офис.

Đây là một tài liệu quan trọng. Nếu quý vị cần phiên dịch, vui lòng hãy gọi cho số điện thoại bên dưới hoặc đến các văn phòng của chúng tôi.

ወገን፡ ብሔራዊ ጥያቄዎችን ለማሟላት ይህን ጽሑፍ ለማንበብ ይረዱን

လူမှုပူးပေါင်းရေးဗဟိုဌာနမှ ၎င်းတို့၏ ဝန်ထမ်းများသည် အထောက်အကူပြုပေးပါမည်။

Sa a se yon dokiman enpòtan. Si ou bezwen entèpretasyon, tanpri rele nimewo telefòn ki anba la a oswa vini nan biwo nou.

Tani waa dhokomentii muhiim ah. Haddii aad rabto tarjumad, fadlan wac lambarka hoos ku qoran ama imow xafiisyadayada.

هذه وثيقة مهمة، وإذا كنت في حاجة إلى ترجمة فورية، يرجى الاتصال على رقم الهاتف المذكور أثناء أو أن تتفضل بالمجيء إلى مكتبنا. إن يك سند بغير مهم است. اگر به ترجمه آن نیاز دارید، لطفاً با شماره تلفن زیر تماس بگیرید یا به دفتر ما مراجعه کنید.

Telephone No.: 617-988-4401