

Impact Analysis

Activity

**2.b. - Payment Standards – Fair Market Rents (HCV)
Raise 1BR payment standard to 120%
Raise accessible unit payment standard to 140% for all unit sizes**

1. Describe the activity’s impact on the agency’s finances (e.g., how much will the activity cost, any change in the agency’s per family contribution)

HAP expenses will increase, but HRHA will manage the increase through enhanced utilization and use of proposed rent offsets. Agency’s 1BR voucher value in 2022 will increase from the current \$795 per month to \$867 (120%). Accessible unit payment standards (140 percent) will be: 1BR \$1,012; 2BR, \$1,331; 3BR, \$1,744; 4BR \$2,279; 5BR \$2,620 for tenants requiring those features. HRHA will determine if units qualify as accessible using the following criteria: a unit that is designed and built to be usable by all people, to the greatest extent possible, without the need for adaptation or specialized design. HRHA will accept Type A or Type B units as classified within ANSI Section 1003 and ICC/ANSI A117.1, as amended. With 393 1BR unit vouchers leased last fall out of 431 total, 38 searching for a 1BR unit, and 581 total households on the 1BR waiting list, this attempt to increase housing choice and number of accessible units is necessary in our tight rental market. The expense increase is anticipated to be offset by the proposed increase in minimum rent from \$50.00 to \$100.00 and increase in tenant responsibility from 30% to 35%.

2. Describe the activity’s impact on affordability of housing costs for affected families (e.g., any change in how much affected families will pay towards their housing costs);

HRHA’s initial analysis identified a potential \$6.00 increase to one bedroom households. The increase, although not significant, is anticipated to be minimized by the proposed triennial recertification process. This change is not expected to impact households’ overall budget. It will increase housing choice: by covering more rental cost HRHA expects households to have more choice of scarce available 1BR units and accessible units of all sizes. The activity will increase access and utilization while reducing housing search time for these units.

3. Describe the impact on the agency’s waitlist(s) (e.g., any change in the amount of time families are on the waitlist);

Change should help shorten wait list and wait time for hard to find 1BR units, especially when accessible 1BR units become available. Currently 581 households are on the waiting list for 1BR units. An additional 35 voucher holders have been searching for units for an average of 110 days.

4. Describe the impact on the agency’s termination rate of families (e.g., any change in the rate at which families non-voluntarily lose assistance from the agency);

No impact expected.

Impact Analysis

5. Describe the impact on the agency's current occupancy level in public housing and utilization rate in the HCV program

Expect to increase use of vouchers, especially for hard to serve households.

6. Describe the impact on meeting the MTW statutory goals of cost effectiveness, self-sufficiency, and/or housing choice;

Expect to increase housing choice for 1BR households and for households of all sizes needing accessible units. Increased payment standard should appeal to more landlords.

7. Describe the impact on the agency's ability to meet the MTW statutory requirements;

The proposed increase will support HRHA's ability to meet the MTW statutory requirement by increasing housing choice and cost effectiveness.

8. Describe the impact on the rate of hardship requests and the number granted and denied as a result of this activity; and

No impact expected

9. Across the other factors above, describe the impact on protected classes (and any associated disparate impact)

None expected