

# HOUSING CHOICE VOUCHER PROGRAM UTILIZATION UPDATE

Housing Authority November 28, 2022 Rebecca Lane
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#### **Utilization Overview**

- Utilization percentage is the number of vouchers leased divided by the number under contract with HUD
- Housing Assistance Payment costs
   (HAP) must stay within budget; over-leasing vouchers is prohibited
- Per Unit Cost (PUC) is the HAP spent per voucher

### Payment Standards and Utilization

- Payment Standards are based on HUD's Fair Market Rent for the jurisdiction
  - Includes rent and utilities
- Higher Payment Standards may increase opportunities for voucher holders
- Higher Payment Standards increase HAP costs
- Rent must always be reasonable, regardless of Payment Standard
- Payment Standards may influence nonsubsidized rental market

#### Santa Rosa Utilization

- Overall HCV Utilization October 2022:
   84% (1605 vouchers leased/1903 ACC)
- VASH Utilization October 2022:
   84% (346 vouchers leased/419 ACC)
- EHV Utilization November 16, 2022:
   55% (72 vouchers leased/131 ACC)

## Santa Rosa Payment Standards Effective October 1, 2022

Bedroom Size	FY 2023 FMR	Payment Standard	Percent of FMR
0	\$1,525.00	\$1,647.00	108%
1	\$1,711.00	\$1,858.00	109%
2	\$2,252.00	\$2,445.00	109%
3	\$3,101.00	\$3,421.00	110.31%
4	\$3,356.00	\$3,795.00	113.08%

#### Santa Rosa Small Area FMRs

95401	\$1,380	\$1,550	\$2,040	\$2,810	\$3,040
95402	\$1,520	\$1,710	\$2,250	\$3,100	\$3,350
<u>95403</u>	\$1,450	\$1,630	\$2,140	\$2,950	\$3,190
95404	\$1,370	\$1,540	\$2,030	\$2,800	\$3,030
95405	\$1,670	\$1,880	\$2,470	\$3,400	\$3,680
<u>95406</u>	\$1,520	\$1,710	\$2,250	\$3,100	\$3,350
95407	\$1,330	\$1,490	\$1,960	\$2,700	\$2,920
95409	\$1,560	\$1,750	\$2,300	\$3,170	\$3,430

In metropolitan areas, HUD defines Small Areas using ZIP Codes within the metropolitan area. Using ZIP codes as the basis for FMRs provides tenants with greater ability to move into "Opportunity Neighborhoods" with jobs, public transportation, and good schools. They also provide for multiple payment standards within a metropolitan area, and they are likely to reduce need for extensive market area rent reasonableness studies. Lastly, HUD hopes that setting FMRs for each ZIP code will reduce overpayment in lower-rent areas.

### Small Area FMR Comparison

Bedroom Size	Zip Code	SAFMR	FMR	Difference
2	95401	\$2,040.00	\$2,252.00	(\$212.00)
2	95403	\$2,140.00	\$2,252.00	(\$112.00)
2	95404	\$2,030.00	\$2,252.00	(\$222.00)
2	95405	\$2,470.00	\$2,252.00	\$218.00
2	95406	\$2,250.00	\$2,252.00	(\$2.00)
2	95407	\$1,960.00	\$2,252.00	(\$292.00)
2	95409	\$2,300.00	\$2,252.00	\$48.00

In two Santa Rosa zip codes, the Small Area FMR is higher than the area-wide FMR.

### Other Utilization Strategies

- Owner outreach and education
  - Housing Heroes campaign
  - Community presentations, interest group meetings
  - Highlighting success through media and social media
- Owner Incentives
  - Risk Mitigation
- Reducing Barriers to Tenancy
  - Security Deposit Assistance
  - Tenant Education
  - Housing Navigators
  - Housing Stabilization

### Questions?