



Commonwealth of Massachusetts
EXECUTIVE OFFICE OF HOUSING &
LIVABLE COMMUNITIES

Maura T. Healey, Governor ♦ Kimberley Driscoll, Lieutenant Governor ♦ Edward M. Augustus, Jr., Secretary

To: Regional Administering Agencies
From: Maryssa Schneider McLean, Deputy Director, Division of Rental Assistance
Re: Revised Small Area Fair Market Rent Implementation Guidance for Federal Programs
Date: December 8, 2023

Note: This revised guidance updates the hold-harmless policy and examples as originally provided in the November 28 guidance.

In 2016, HUD published the [Small Area Fair Market Rents \(SAFMR\) Final Rule](#) allowing for the determination of Housing Choice Voucher (HCV) payment standards using Fair Market Rents (FMR) calculated at the ZIP code level, rather than a metropolitan area-wide FMR. SAFMRs allow for the establishment of payment standards that more accurately reflect the local market. This can be helpful in providing voucher holders greater choice in deciding where to live.

SAFMR Implementation for EOHLC-Administered HCVs

Beginning with reexaminations effective March 1, 2024, EOHLC will base its payment standards on HUD's SAFMRs.¹ For transactions effective from now until March 1, there will be no changes – staff will continue to use the current payment standards, which are set at 120% of HUD's 2023 metro-wide (regular) FMRs for most communities.

For reexaminations effective March 1 and beyond, we will use 120% of SAFMR as our applicable payment standard (APS). This policy will apply to all mobile federal vouchers, including:

- MTW
- VASH
- FUP
- Mainstream
- EHV
- Stability Vouchers

Tenmast and the Edgemere Rent Calculator will be updated with the appropriate payment standards, but until further guidance, expected the week of December 4, applying the SAFMRs will require a manual override.

- Please note that, in keeping with Executive Order #285, the payment standards for the five ZIP codes in Lynn (01901, 01902, 01903, 01904, and 01905) will be 100% of metro-wide 2024 FMRs as of March 1, 2024.

¹ While MRVP and AHVP will also implement SAFMRs as of March 1, 2024, this guidance applies specifically to federal programs, and EOHLC will release separate guidance for MRVP and AHVP.

- Please note that HUD does not calculate SAFMRs for Nantucket or Martha's Vineyard, so 120% of metro-wide 2024 FMRs will apply in those communities as of March 1, 2024.

The new payment standards will apply to new admissions, relocations, rent increases,² and regular recertifications effective on or after March 1, 2024. If you have already completed any actions effective on or after March 1, 2024, please review those actions to see if a new payment standard would apply. If the new payment standard would apply, staff will need to redo the action and send the participant an updated tenant rent share letter at least 30 days in advance of the effective date.

For households staying in their current units with a continuing lease and the same voucher size at the time of this policy change, EOHLC will hold those households harmless, and will not apply a payment standard lower than the prior payment standard (i.e. the payment standard that was applied at the household's last recertification). In other words, **except at relocation or change in voucher size**, the housing agency shall not lower the amount of the payment standard below prior payment standard for a continuing lease. This hold-harmless policy will cease to apply to a household after they have moved or their voucher size has changed.

Example #1

The Smith family has three adults and a three-bedroom voucher, and they live in Anytown. The payment standard for their unit as of their 5/1/2022 regular recertification was \$2,500, and they are due for a regular recertification as of 5/1/2024. According to HUD's FY2024 SAFMR, the APS for a three-bedroom in Anytown is \$2,300. Because the APS is lower, RAA staff will continue to use a payment standard of \$2,500.

Example #2

The Ortiz family has a two-bedroom voucher and they live in Pleasantville. The payment standard from their last regular recertification was \$1,500; however, they subsequently had a rent increase interim effective 12/1/2023, where their payment standard was increased to \$1,600, as the APS had increased since their last recertification.

They are due to recertify for 4/1/2024. The APS for their ZIP code has since decreased to \$1,400. Because the APS of \$1,400 is lower than the payment standard from the household's prior recertification (the 12/1/2023 contract rent increase interim), RAA staff will continue to apply a payment standard of \$1,600 at the 4/1/2024 recertification.

Rent reasonableness requirements remain unchanged.

Special Programs

As provided in guidance issued November 10, 2023 and made effective immediately at that time, the payment standard for the HCV Emergency Assistance (EA) Exit Voucher program will be **the higher of** 120% of HUD's 2024 SAFMRs or 120% of HUD's 2024 metro-wide FMRs in the ZIP code for the unit. Please see the attached lookup spreadsheet (also sent with the EA guidance on November 10).

² Please see § 7.15.1 of the HCV [Administrative Plan](#) regarding changes in payment standard at rent increases.

SNO Mass will use the same payment standard as the EA Exit Vouchers: **the higher of** 120% of HUD's 2024 SAFMRs or 120% of HUD's 2024 metro-wide FMRs in the ZIP code for the unit. The new payment standards for SNO Mass will be effective December 1, 2023, and the [SNO Mass Locator Tool](#) will be updated by that date to reflect these changes. SNO Mass staff should continue to use the Locator Tool to determine the applicable payment standard for SNO Mass moves.

Note that applying the payment standards for SNO Mass movers and EA leases may require a **manual override** in Tenmast.

Please contact Karlene Maiolino, Assistant Director, Federal Programs, at Karlene.maiolino@mass.gov or Kristin Haas, Assistant Director, Policy & Implementation, at Kristin.haas@mass.gov with any further questions.