



# FACTS ABOUT PAYMENT STANDARDS

## **What are payment standards?**

Payment standards are used to calculate the housing authority's maximum housing subsidy for a voucher program participant based on the unit size that the participant is eligible to rent. For the Housing Authority of the County of San Bernardino (HACSB) Moving to Work (MTW) program, the payment standard is also the maximum rent that a landlord may charge. For non-MTW programs, the maximum rent is based on the participant's ability to pay for rent and utilities, so the maximum rent may be higher or lower than the payment standard depending upon a participant's individual circumstances.

## **Can I expect to receive the payment Standard amount for the rent?**

In some situations. The requested rent may not be higher than the rent paid by unassisted tenants in the same complex. Also, HACSB must perform a rent reasonableness analysis by locating at least three nearby comparable units with similar amenities renting at the same or higher amounts. For non-MTW programs, HACSB must also ensure that the participant's portion of the rent and utilities will be affordable.

## **Why are there three sets of payment standards?**

HACSB administers several types of rental assistance programs. Each program has different regulations related to rents, payment standards, and the calculation of the tenant rent portion. Most programs utilize HACSB's MTW Local Payment Standards. The Emergency Housing Voucher program has its own payment standards based on that program's requirements. The Special Purpose Voucher Program Payment Standards are for the Continuum of Care and Housing for Persons with AIDS programs.

## **How does HACSB set payment standards?**

For the MTW program, HACSB conducts a market survey each year. The market survey analyzes the market rents for each bedroom size within nine rental submarkets. Due to the size and geographic diversity of the County, MTW payment standards are set based on the market rents for each of the nine rental submarkets. For Special Purpose Voucher Programs, payment standards are based on a percentage of the HUD-published Fair Market Rent (FMR) for three regions of the County. The Emergency Housing Voucher program uses both the MTW payment standards and the FMR to determine payment standards for different regions. Payment standards are reviewed annually.

## **What is different about the Payment Standards effective March 9, 2022?**

HUD provided HACSB with a temporary waiver permitting HACSB to set payment standards up to 120% of FMR for the Moving to Work and Emergency Housing Voucher programs to increase the success of participants who are searching for housing. This waiver is temporary and expires upon publication of the annual Payment Standards. Please note that the payment standards do not represent the rent that HACSB will approve for your unit. Market rents in some areas of the county are below the new payment standard amounts. HACSB will conduct a rent reasonableness analysis and cannot approve rents that are higher than nearby comparable unit rents.

## **What happens when the payment standards go down?**

If the payment standards go down, the tenant will continue to be subsidized at the higher payment standard rate. However, any rent increases will be capped at the lower payment standard amount for programs utilizing the payment standard as the rent cap.