

Information Item

Community Development Committee



Meeting date: October 19, 2026

Topic

Discussion of 2027 Payment Standards for Metro HRA Rent Assistance Programs

District(s), member(s):	All
Policy/legal reference:	24 Code of Federal Regulations Part 982
Staff prepared/presented:	Terri Smith, Director, Housing and Redevelopment Authority (651) 602-1187 Caitlin Hamrock, Principal Data Scientist, Community Development, Research (651) 602-1968
Division/department:	Community Development / HRA

Background

The Metropolitan Council must annually review and adopt Payment Standards (rent limits) to administer the Housing Choice Voucher and other rent assistance programs. Each year, the U.S. Department of Housing and Urban Development (HUD) publishes updated Fair Market Rents (FMRs), and housing authorities, including the Council Housing and Redevelopment Authority (Metro HRA), are required to adopt payment standards between 90% and 110% of the newly issued FMRs.

Payment standards are a core component of program administration. They must be set at levels that support voucher holders in successfully leasing units in neighborhoods of their choice. Appropriately adjusted payment standards help ensure families can access a range of communities, including areas with higher rents and greater opportunity.

In 2020, the Council adopted Small Area Fair Market Rents (SAFMRs). Unlike traditional metropolitan-wide FMRs, SAFMRs establish rent limits at the zip code level, allowing payment standards to more accurately reflect local market conditions. This approach provides:

- Higher rent limits in higher-cost neighborhoods
- Lower rent limits in lower-cost neighborhoods
- Improved housing choice and increased voucher placement success across the region

Metro HRA staff are reviewing HUD's newly released SAFMRs and analyzing rental market trends across the region. Staff will present data, outline the factors influencing payment standards decisions and gather feedback from Committee Members. Committee input will help shape the recommended payment standards for adoption at a future meeting.