

Information Item

Community Development Committee



Meeting date: October 20, 2025

Topic

Discussion of 2026 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 Sam Limerick, Principal Data Scientist, Community Development, Research (651) 602-1968 Steve Victorey, Business Systems Analyst 4, Housing and Redevelopment Authority, (651) 602-1041
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. The U.S. Department of Housing and Urban Development (HUD) issues Fair Market Rents (FMRs) each year. Housing authorities, including the Council Housing and Redevelopment Authority (Metro HRA), are required to adopt payment standards between 90% and 100% of the newly issued FMRs.

Payment standards should be set at amounts that ensure voucher holders are successful in placing their voucher in an area of their choice. The Council adopted Small Area Fair Market Rents (SAFMRs) in 2020. SAFMRs are rent limits at the zip code level instead of one rent for an entire metropolitan area. This allows for higher rent limits in higher-rent areas of the region and lower rent limits in lower-rent areas of the region. The goal of SAFMRs is to improve housing choice in all neighborhoods and increase voucher placement success.

Staff have been evaluating the new SAFMRs and analyzing rent prices around the region to inform the adoption of new payment standards. Staff will share data regarding the housing market, discuss the factors influencing payment standards, and gather feedback from Committee members to inform future action.