

December 7, 2016

VIA ELECTRONIC SUBMISSION

Secretary Julian Castro
Department of Housing and Urban Development
451 7th Street SW, Room 10276
Washington, DC 20410-0500

Attention: Peter B. Kahn, Director, Economic and Market Analysis Division, Office of Economic Affairs, Office of Policy Develop and Research, Peter.B.Kahn@hud.gov, SAFMR_Rule@hud.gov

Re: Establishing a More Effective Fair Market Rent System: Using Small Area Fair Market Rents in the Housing Choice Voucher Program Instead of the Current 50th Percentile FMRs Docket No. FR-5855-F-03

Secretary Castro:

On behalf of the undersigned organization, please find our comments on the above-referenced final rule. Our organizations represent thousands of firms involved in the multifamily rental housing industry, including the building, operation and management of affordable rental housing properties. Several of our organizations are also affiliated with local associations that work with Department of Housing and Urban Development (HUD) field offices and public housing authorities (PHAs).

We strongly support the Housing Choice Voucher (HCV) program, which provides rental assistance and choice to over two million households who live in privately owned housing. We have long maintained that FMRs are neither fair nor market and appreciate attempts to better reflect in the FMRs the intricacies that exist in local real estate markets. We remain unconvinced, however, that zip codes represent real estate markets, and are discouraged to learn that HUD has chosen to finalize the Small Area Fair Market Rent (SAFMR) methodology despite the fact that research from the pilot programs has not been completed yet.

Ultimately, although we recognize that moving low-income households to areas of opportunity may be a worthwhile objective, and we strongly support the principle of choice in the voucher program, we continue to have serious concerns about the decision to use SAFMRs to manage the HCV program. We appreciate that HUD has undertaken efforts to address some of the concerns expressed in our previous comment letter in response to the proposed rule, but our fundamental concerns remain unaddressed.

Sincerely,

Council for Affordable and Rural Housing
Institute of Real Estate Management
National Affordable Housing Management Association
National Apartment Association
National Association of Home Builders
National Leased Housing Association
National Multifamily Housing Council