March 16, 2015

Office of General Counsel
Regulations Division
Department of Housing and Urban Development
451 Seventh Street, SW, Room 10276
Washington, DC 20410-0500

RE: Streamlining Management and Occupancy Reviews for Section 8 Housing Assistance Programs and Amending Vacancy Payments for Section 8 and Section 162 Housing Assistance Programs [Docket No. FR-5654-P-01]

To Whom It May Concern:

The National Association of Housing and Redevelopment Officials (NAHRO) is pleased to submit comments in response to the Department of Housing and Urban Development’s (HUD’s) proposed changes to vacancy payments for Section 8 and Section 162 Housing Assistance Programs. NAHRO represents more than 3,100 agencies and over 20,000 individual members and associates. In addition to operating Public Housing and Housing Choice Voucher programs, many NAHRO members also own properties assisted through the Section 8 Project-Based Rental Assistance program. As a result, our members have a vested interest in ensuring that the operating environment of the program continues to reflect the challenges faced by owners.

NAHRO is pleased that the Department has pledged an interest in making improvements to the Section 8 programs. However, we believe that the Department’s proposal to reduce vacancy payments for Section 8 Housing Assistance Programs from 80 percent for 60 days to 80 percent for 30 days is misguided and would create instability in the program. While we understand the Department’s desire to constrain costs for assisted housing programs, we do not believe it is appropriate to create those savings by reducing vacancy payments in this way. HUD states in the proposed rule that the Department has “observed that since vacancy payments are only available once units are ready to be rented, owners typically turn around a unit in 30 days rather than collect a reduced vacancy payment.” Since HUD acknowledges that PBRA owners currently typically turn around units in 30 days, we do not believe there is sufficient benefit to limiting vacancy payments for the few PBRA owners that may maintain vacancies in units beyond 30 days. In these limited circumstances, these PBRA owners may need the additional 30 days in order to re-lease units that are in high-cost areas, for instance. Put simply, this is a solution in search of a problem.

In addition to our comments on the proposed changes to vacancy payments for Section 8 Housing Assistance Programs, we will submit feedback related to the proposed changes to the Management and Occupancy Review schedule in a separate letter.
We appreciate the Department’s continued commitment to the important work of reducing the administrative burdens placed on its partners. If NAHRO can assist in any way, please do not hesitate to contact us.

Sincerely,

Janelle A. Beverly, Section 8 Policy Analyst