

SMALL RURAL PHA FLEXIBILITY

What is a Small Rural PHA?

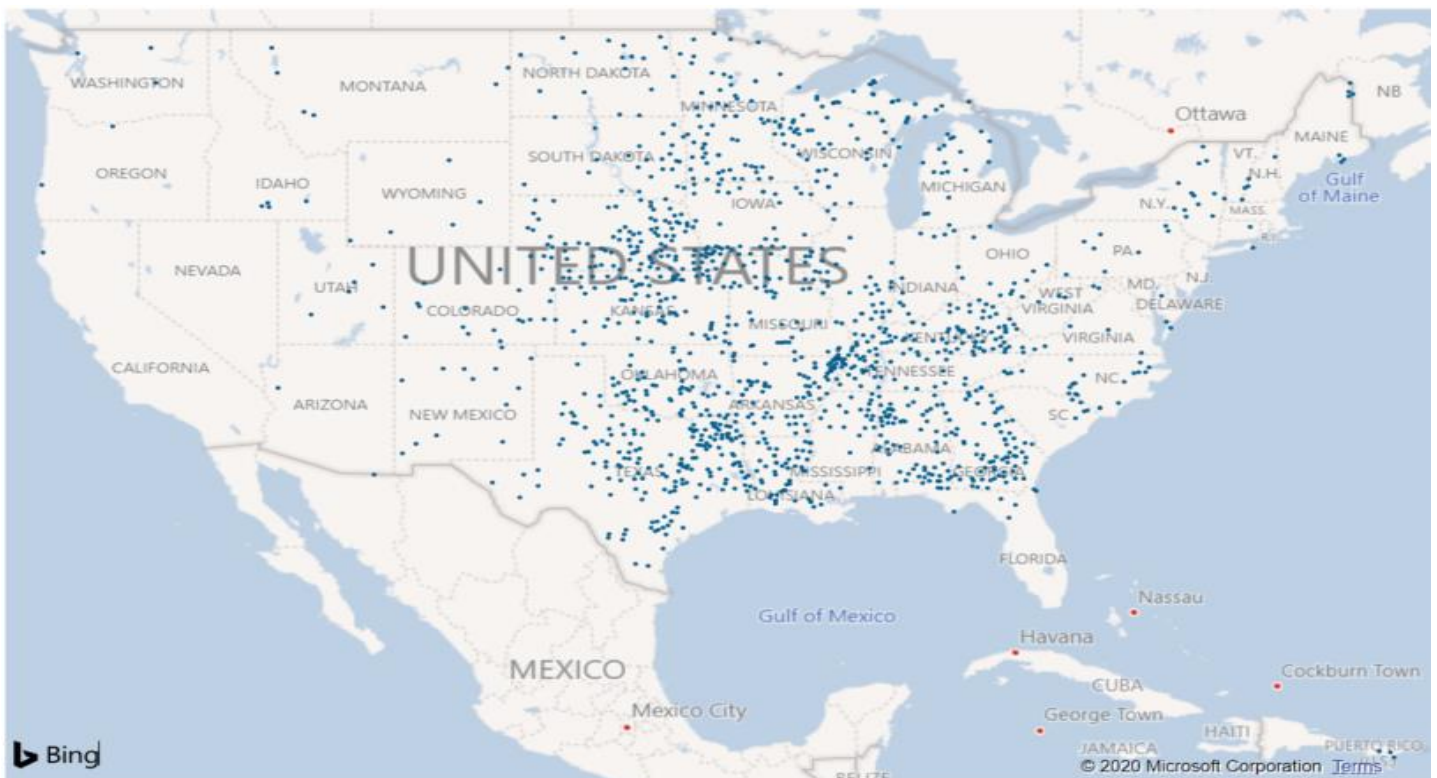
HUD defines "small rural PHA" as a Public Housing Authority (PHA) that **operates 550 or fewer combined Public Housing and Housing Choice Voucher units and predominantly operates in a rural area**. Project-Based Rental Assistance (PBRA) units are not included in determining unit count.

"Predominantly operates in a rural area" is defined as having a **primary administrative building with a physical address in a rural area OR more than 50 percent of its combined Public Housing units and voucher units under Section 8(o) are in a rural area**. Rural area is defined by a Consumer Financial Protection Bureau regulation.

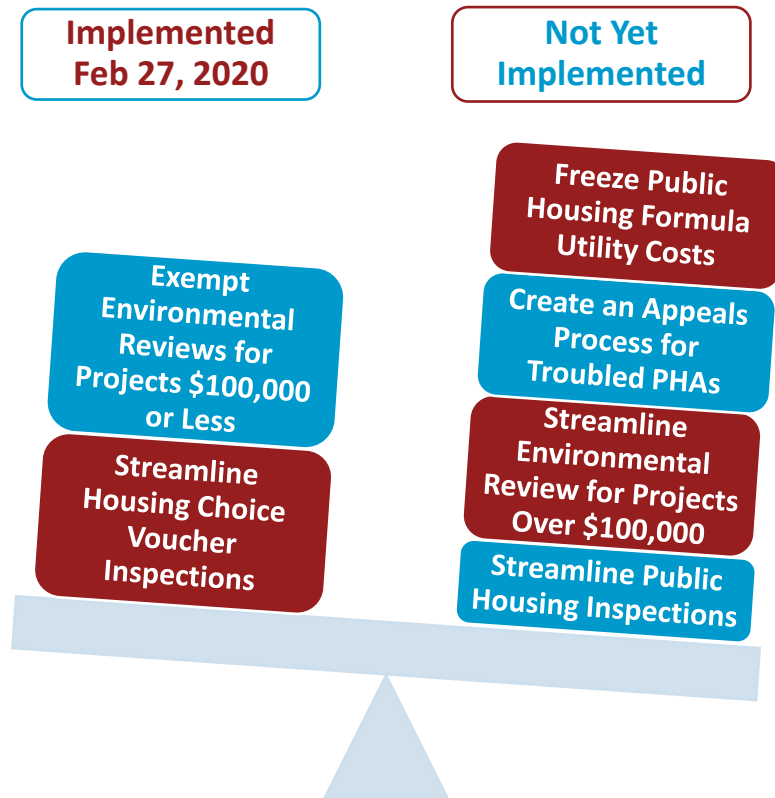
Currently there are 1,519 PHAs that qualify as a "small rural PHA" under this definitions and HUD has published a list of small rural PHAs. **NAHRO has posted the list of small rural PHAs, [click here](#).**

1,519 Public Housing Authorities qualify as small rural PHAs.

Where are the Small Rural PHAs?



What are the Small Rural PHA flexibilities in Section 38 of the Housing Act of 1937?



Small Rural PHAs are exempt from Environmental Review for projects \$100,000 or less and can inspect HCV units every 3 years.

What are the Currently Available Small Rural PHA flexibilities?

The February 27, 2020 notice only implements two of the above six small rural PHA flexibilities – **streamlined HCV inspections and Environmental Review exemption for projects \$100,000 or less.** [See the notice here.](#)

Small rural PHAs that operate the Housing Choice Voucher programs can now **inspect their tenant-based and project-based vouchers units every three (3) years.** This new inspection schedule will begin for the small rural PHA after its next currently scheduled inspection. Small rural PHAs must continue to conduct any lead safety inspections required under the Lead-Based Paint Poisoning Prevention Act.

Small rural PHAs will now be **exempt from Environmental Reviews with respect to development or modernization projects that cost no more than \$100,000.** This exemption applies to any Capital Fund, Operating Fund, or Project Based Voucher (PBV) eligible work activity by a small rural PHA with a project cost of \$100,000 or less. For project with a cost of more the \$100,000, small rural PHAs must continue to complete an Environmental Review but HUD will issue a regulation to streamline Environmental Reviews.