

AGENDA

SPECIAL MEETING DELTA HOUSING AUTHORITY BOARD OF COMMISSIONERS September 5, 2023 3:00 P.M.

MEETING CALLED TO ORDER

Proposed Agenda Item:

1. Resolution #662-23 - Establishing Payment Standards for the Housing Choice Voucher Program

Adjourn



MEMO

AGENDA ITEM #1

MEETING DATE: September 5, 2023

STAFF CONTACT: Ute Jantz, Executive Director

TITLE: Board Resolution #662-23 Establishing Payment Standards for the HCV Program

ACTION: Discussion - Motion and Roll Call

ATTACHMENTS: Resolution #662-23

SUMMARY:

On August 25, 2023, HUD notified us that our waiver request to establish payment standards from 111 to 120 of the Fair Market Rent (FMR) was approved. A higher payment standard enables us to better utilize Federal rental assistance resources during this difficult rental housing climate. Rent increases in the private rental market have driven the rents well above HUD's FMRs.

The Fair Market Rent is the amount needed to pay gross rent (rent <u>and</u> utilities). The payment standard is the maximum subsidy a housing authority can pay on behalf of a family. 24 CFR 982.503(b) requires that the payment standards must be within an established range of 90 to 110 percent of the FMR, however, with HUD approval FMRs can established up to 120 percent of the FMRs. On August 30, 2023, HUD published the 2024 FMRs with an effective date of October 1, 2023, and the new FMRs went up. As discussed at the last board meeting, I am recommending increasing our payment standards for all unit types to 120 percent of FMR effective September 5, 2023. Currently, the waiver is only valid through December 31, 20233.

| Year | 0 BR | 1 BR | 2 BR | 3 BR | 4 BR | 5 BR |
|-------------|-------|-------|---------|---------|---------|---------|
| FY 2024 FMR | \$883 | \$889 | \$1,146 | \$1,556 | \$1,827 | \$2,101 |
| FY 2023 FMR | \$804 | \$809 | \$1,065 | \$1,388 | \$1,531 | \$1,761 |

Current Payment Standards

| Bedroom Size | 2023 FMRs | Payment Standard | % of FMR | |
|--------------|-----------|------------------|----------|--|
| 0 | \$804 | \$884 | 110% | |
| 1 | \$809 | \$890 | 110% | |
| 2 | \$1,065 | \$1,172 | 110% | |
| 3 | \$1,388 | \$1,527 | 110% | |
| 4 | \$1,531 | \$1,684 | 110% | |
| 5 | \$1,761 | \$1,937 | 110% | |

Proposed Payment Standards – effective September 5, 2023

| Bedroom Size | 2024 FMRs | Payment Standard | % of FMR |
|--------------|-----------|------------------|----------|
| 0 | \$883 | \$1,059 | 120% |
| 1 | \$889 | \$1,066 | 120% |
| 2 | \$1,146 | \$1,375 | 120% |
| 3 | \$1,556 | \$1,867 | 120% |
| 4 | \$1,827 | \$2,192 | 120% |
| 5 | \$2,101 | \$2,524 | 120% |

RECOMMENDATION: Approval of the proposed payment standards as presented.



BOARD RESOLUTION # 662-23 ESTABLISHING THE PAYMENT STANDARDS FOR THE HOUSING CHOICE VOUCHER PROGRAM

WHEREAS, on August 30, 2023, the United Stated Department of Housing and Urban Development (HUD) published the fiscal year 2024 Fair Market Rents (FMRs) for Delta County in the Federal Register; and

WHEREAS, a Public Housing Authority (PHA) uses the published FMRs as a guide to establish payment standards per bedroom size for the Housing Choice Voucher Program; and

WHEREAS, 24 CFR 982.503 (b) requires a PHA to establish payment standards between 90 to 110 percent of the published FMRs; and

WHEREAS, on August 3, 2023, HUD found good cause to waive this regulation and granted DHA's waiver request to establish payment standards up to 120 percent of FMR; and

WHEREAS, the payment standards are used to calculate the housing assistance payment the housing authority pays to the owner on behalf of the family leasing the unit; and

WHEREAS, the Delta Housing Authority has determined the payment standards for all bedroom sizes shall be set as follows:

| Bdrm. | 2024 | PAYMENT | % OF |
|-------|---------|-----------|------|
| Size | FMRs | STANDARDS | FMR |
| 0 | \$883 | \$1,059 | 120% |
| 1 | \$889 | \$1,066 | 120% |
| 2 | \$1,146 | \$1,375 | 120% |
| 3 | \$1,556 | \$1,867 | 120% |
| 4 | \$1,827 | \$2,192 | 120% |
| 5 | \$2,101 | \$2,524 | 120% |

NOW, THEREFORE, BE IT RESOLVED by the Delta Housing Authority Board of Commissioners, that the Housing Choice Voucher payment standards, as outlined in the chart above, are adopted and are effective September 5, 2023.

ADOPTED this 5th day of September, 2023

Chair or Vice-Chair

Delta Housing Authority Board of Commissioners