

## RENT DETERMINATION

---

The Columbia Housing Authority operates both Public Housing and Housing Choice Voucher Programs. The CHA Board of Commissioners has approved the following rent policies for the Public Housing Program. There were not any revisions to the public housing rent determination policy. The changes to the Payment Standards for the Housing Choice Voucher Program were approved by the Board of Commissioners.

### **PUBLIC HOUSING**

1. The CHA continues to calculate rent payment at the greater of 30% adjusted monthly income or 10% of monthly income.
2. The CHA has not added any income exclusions (excluding those required by HUD) in the calculation of adjusted income.
3. The CHA has an established minimum rent of \$50.00
4. The CHA is phasing in rent for qualified residents that transition from welfare to work according to section 508 of QHWRA. There will be no increase in their rent for the first year; it will increase 50% of the normal increase in the second year; it will fully phase in for the third year. Due to lack of demand from program participants, the CHA is not establishing individual savings accounts for these qualified residents.

### **FLAT RENTS**

Beginning in October 1999, the Quality Housing and Work Responsibility Act of 1998 mandated that housing authorities implement changes, regarding the calculation of rents. The primary change was that each family that resides in public housing owned or operated by the agency is given an option regarding their rent. Those options are as follows:

Option 1: Income-based rent

Option 2: Flat rent

The Public Housing Program utilizes a flat rent which serves as a maximum rent for families regardless of income level. Under the 2014 Appropriations Act, PHA's must set flat rents at a minimum of 80% of the HUD published Fair Market Rent for the Housing Choice Voucher Program. Previously, the Authority implemented Flat Rents based on Small Area Fair Market Rents versus the Columbia-wide Fair Market Rent. The SAFMR were suspended by HUD in 2017 and no longer required to be used. HUD has recommended that the Authority revise its Flat Rents to coincide with the Columbia-wide FMR's. Flat rents be implemented pursuant to the guidance set forth in PIH Notice 2017-23 which establishes a phase-in for rent increase in excess of 35% per year for affected households. Public Housing flat rents must be a minimum of 80% of

the HUD published Fair Market Rents regardless of household income and new FMR's were published by HUD with an effective date of October 1, 2021, as reflected in the table below:

<b>Bedroom Size</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
HUD 2020 FMR (10/21)	\$834	\$869	\$990	\$1268	\$1531	\$1761
Flat Rent (Effective 10/1/2019)	\$668	\$696	\$792	\$1015	\$1225	\$1409
Percent of HUD FMR	80%	80%	80%	80%	80%	80%

### **RESOLUTION 2021-046: Adoption of Revised Public Housing Flat Rents**

#### **HOUSING CHOICE VOUCHER/SECTION 8 PROGRAM**

The Department of Housing and Urban Development (HUD) has issued instructions regarding the annual Fair Market Rents for the Section Housing Choice Voucher Program; and

WHEREAS, the Housing Authority is required by HUD regulations to determine Payment Standards within 90%-110% of the HUD established Fair Market Rents; and

#### **Section 8/Housing Choice Voucher Program**

1. The CHA is retaining the calculation of participant's contribution at the greater of 30% adjusted monthly income or 10% of monthly income.
2. The CHA has not added any income exclusions (excluding those required by HUD in the calculation of adjusted income).

The Payment Standard in the Housing Choice Voucher Program is used to determine the maximum amount of subsidy that can be paid on behalf of an assisted household. Payment Standards must be set between 90% and 110% of the applicable Fair Market Rent (FMR) published by HUD. Effective October 1, 2020, the Board of Commissions approved payment standards at 110% of the HUD published Fair Market Rent and at 120% for the Veteran's Supportive Housing (VASH) Program and individuals with disabilities needing a reasonable accommodation.

**10/1/2021 Approved Payment Standards**

<b>Bedroom Size</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
HUD 2020 FMR (10/19)	\$834	\$869	\$990	\$1268	\$1527	\$1761
CH Payment Standards	\$917	\$955	\$1089	\$1394	\$1680	\$1937
Percent of HUD FMR	110%	110%	110%	110%	110%	110%
Exception Payment Standard VASHA/RA (120%)	\$1000	\$1042	\$1188	\$1483	\$1521	\$2113

***RESOLUTION 2021-046: Adoption of Revised HCV Payment Standards at 110%***