

# MOTION TO APPROVE FHA HUD PAYMENT STANDARDS -2021-2022

**WHEREAS**, The Fair Market Rent (FMR) for HUD leased housing, is annually determined by HUD every October 1<sup>st</sup>. The Payment Standard (PS) is what the FHA adopts which can be between 100 – 110% of the FMR and;

**WHEREAS**, the FHA adopts the following Payment Standards effective October 1<sup>st</sup>, 2021:

- |                                     |  |
|-------------------------------------|--|
| <b>0 BR @ 110 % OF FMR - \$951</b>  | <b>1 BR @ 110% OF FMR - \$958</b>  |
| <b>2BR @ 110% OF FMR - \$1,260</b>  | <b>3 BR @ 110% OF FMR - \$1,591</b>  |
| <b>4 BR @ 110% OF FMR - \$1,899</b> | <b>5 BR @ 110 % OF FMR - \$2,184</b><br>(5 bed calculation 4 bed FMR * 1.15) |

The adopted Payment Standards are based upon the FY2022 FMR published by HUD for the Section 8 Voucher program; and

**WHEREAS**, The FHA informs voucher holders of the PS for their bedroom size, as a rent guidance when searching for a unit. The FHA must also determine if a requested rent is reasonable for the neighborhood and whether it's affordable for the family based on their household income (per HUD families can't pay more than 40% of their monthly adjusted income). Either the P.S. or the Gross Rent for the unit, whichever is lower is used when calculating the Tenant and FHA rent portions. In addition to the standards above, HUD requires FHA to compare units to other area properties to determine the above rent is reasonable for the neighborhood. The lower of the payment standard or the rent reasonable comparison typically determines the amount the FHA will be allowed to authorize as the contract rent. In the case of a reduction the FY21 PS will stay in effect until the family's second regular reexamination following the effective date of October 1, 2021, unless the tenant moves.

FHA Board Members Present: 4 (3 needed for quorum) FHA Members Absent 1

Votes for Approval 4 Votes Denying Motion \_\_\_\_\_

Abstentions: \_\_\_\_\_

Quorum (Three Members): yes (Yes / No)

Linda E. Byrne  
Linda E. Byrne FHA Chair

Clouise J. Paupseau  
Danish B. B. B.  
Air  
Date Sept 22, 2021

OB Bushman  
HA Executive Director & Board Secretary

Sep. 22. 2021  
Date