



Office of the Executive Officer

CONSENT CALENDAR
December 13, 2005

To: Honorable Chairperson and
Members of the Housing Authority
From: *PK* Phil Kamlarz, Executive Officer
Submitted by: Stephen Barton, Director, Housing
Subject: Section 8 Housing Choice Voucher Payment Standards

RECOMMENDATION

Adopt a Resolution approving a new Payment Standard schedule for the Section 8 Housing Choice Voucher program effective February 1, 2006.

FISCAL IMPACTS OF RECOMMENDATION

BHA management must carefully monitor the expense of the Housing Choice Voucher program to effectively utilize resources. As the HUD published Fair Market Rents (FMRs) reflect a reduction in subsidy in all categories except Studio units, there is no impact to the BHA budget as a result of the new Payment Standard.

CURRENT SITUATION AND ITS EFFECTS

Under the Section 8 Housing Choice Voucher Program, Payment Standards establish the maximum rental subsidy permitted for participants in the program. Payment Standards are between 90% and 110% of the Fair Market Rents (FMRs) published by the U.S. Department of Housing and Urban Development (HUD). On October 1, 2005, HUD published revised FMRs, therefore staff is proposing to revise the Payment Standards for the Section 8 Housing Choice Voucher program. The current Payment Standards were previously adopted under Resolution #700.

The following compares the current Payment Standards in effect since December 1, 2004, the new HUD published FMR rates as revised on October 1, 2005, and the proposed new Payment Standards for the Section 8 Housing Choice Voucher program.

Bedroom Size	Current Pay Standard	10/1/2005 HUD-FMR	Proposed Payment Standard
0 BR	\$ 996	\$ 943	\$ 996
1 BR	1,205	1,130	1,205
2 BR	1,476	1,339	1,472
3 BR	2,057	1,865	2,051
4 BR	2,474	2,288	2,474

Note that under the October 1, 2005 published FMRs, reductions are required in the Two-Bedroom and Three-Bedroom categories.

BACKGROUND

The BHA is required to maintain a Payment Standard schedule for the Section 8 Housing Choice Voucher program. The Payment Standard establishes the maximum monthly subsidy payment permitted for varying unit sizes under the program.

HUD allows Payment Standard amounts at any level between 90% and 110% of the published FMRs and HUD approval is not required to establish Payment Standard amounts in that range (“basic range”).

RATIONALE FOR RECOMMENDATION

Adoption of the new Payment Standard schedule will allow the BHA to maintain a consistent leasing rate and comply with maintaining Payment Standards between 90% and 110% of FMRs.

CONTACT PERSON

Sharon Jackson, BHA Housing Manager, Housing Department

Attachments:

1: Resolution

Exhibit A: Payment Standards

RESOLUTION NO. -N.S.

APPROVING NEW SECTION 8 VOUCHER PAYMENT STANDARDS

WHEREAS, the current Payment Standards have been in effect since December 1, 2004 per Resolution No. 700; and

WHEREAS, HUD recently published new Fair Market Rents effective October 1, 2005; and

WHEREAS, Payment Standards must be 90 percent to 110 percent of the published Fair Market Rents.

NOW THEREFORE, BE IT RESOLVED that the Berkeley Housing Authority, establishes a revised Payment Standard Schedule for the Berkeley Housing Authority's Section 8 Housing Choice Voucher Program effective February 1, 2006, attached hereto as Exhibit A and made a part hereof.

BE IT FURTHER RESOLVED, that Resolution No. 700, which established the Section 8 Payment Standard in effect since December 1, 2004, is hereby rescinded.

EXHIBIT A

**BERKELEY HOUSING AUTHORITY
PAYMENT STANDARDS
HOUSING CHOICE VOUCHER PROGRAM
EFFECTIVE FEBRUARY 1, 2006**

0BR	1BR	2BR	3BR	4BR	5BR	6BR
\$996	\$1205	\$1,472	\$2,051	\$2,474	\$2,845	\$3,271