




HOUSING AUTHORITY OF THE
CITY OF SANTA BARBARA
COMMISSION AGENDA REPORT

DATE 10-05-22

ITEM VI.1

Date: September 21, 2022

To: Housing Authority Board of Commissioners

From: Rob L. Fredericks, Executive Director/CEO 

Subject: PAYMENT STANDARD SCHEDULES FOR SECTION 8 VOUCHER PROGRAMS

RECOMMENDATION

That the Commission approve a Payment Standard Schedule for all Section 8 Voucher programs, effective January 1, 2023.

DISCUSSION

Payment standards are used to calculate the housing assistance payment that the Housing Authority pays to a property owner/landlord on behalf of a household leasing a unit under the Section 8 Housing Choice Voucher (Section 8) program. Each Public Housing Authority (PHA) has latitude in establishing its schedule of payment standard amounts by bedroom size, within the range of 90% to 110% of HUD's published fair market rent (FMR) for the area in which the PHA has jurisdiction. HUD allows more leeway of up to 120% of the FMR for the Emergency Housing Voucher (EHV) program.


The current rental market is one of historically low vacancy and extremely high rental rates. This tight rental market is in stark contrast to the 2020 market, which was considerably softer due to the pandemic. With Institutions of higher education back to in-person instruction, the local rental market has further tightened, significantly impacting Section 8 client's ability to lease-up.

To maximize the lease-up success of all voucher programs, staff recommends establishing one payment standard at 110% of FMR as allowed per the regulations, for all voucher programs, including Emergency Housing Vouchers.

There are currently two payment standard schedules, one for EHV and one for all other voucher programs. However, staff is confident that one Payment Standard Schedule at the proposed rates will be adequate for all programs.

Staff will continue to review all rent increases and new rental agreements to ensure rents are deemed reasonable.

...continued on reverse

Prepared by: Jerry Morales, Leasing Agent 
Reviewed by: Adm. _____ Attorney _____ Finance _____ Hsg. Mgmt. _____ P&D. _____ Res.Serv. _____

Board Action:

Vote:

Comments:

Staff recommends the Board approve the following payments standard schedules:

Section 8 Voucher Payment Standards effective 01/01/2023				
Efficiency	1 bedroom	2 bedroom	3 bedroom	4 bedroom
2,244	2,585	2,933	3872	4,401

Staff consulted with the Housing Authority of the County of Santa Barbara and they will also adopt these payment standards for Santa Barbara's South Coast region.

Exhibit A: Chart of HUD's Fiscal Year 2023 Fair Market Rents Effective January 1, 2023 compared to current Payment Standards and proposed Payment Standards.

Payment Standard Schedule for all voucher types

	Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Previous HCV Payment Standards (04/11/2022)	\$2,062	\$2,372	\$2,767	\$3,647	\$4,169
Previous EHV Payment Standards (04/11/2022)	\$2,070	\$2,415	\$2,845	\$3,760	\$4,305
2023 FMRs	\$2,040	\$2,350	\$2,667	\$3,520	\$4,001
110% of FMRs	\$2,244	\$2,585	\$2,933	\$3,872	\$4,401
Payment Standards (01/01/2023)	\$2,244	\$2,585	\$2,933	\$3,872	\$4,401