

**RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF RAHWAY**

**RESOLUTION NO. 1499**

**DATE OF ADOPTION: SEPTEMBER 10, 2015**

**SUBJECT:** REVISION FROM THE 2015 FAIR MARKET RENT (FMR) TO THE 2016 FMR AT THE 40<sup>TH</sup> PERCENTILE AS PAYMENT STANDARD FOR THE SECTION 8 RENT SUBSIDY PROGRAM FOR THE TWELVE MONTH PERIOD STARTING OCTOBER 1, 2015

**THE FOLLOWING RESOLUTION** was presented by Kenneth Pushko, Executive Director/Secretary at a Regular Meeting held on September 10, 2015:

**WHEREAS**, the Rahway Housing Authority (hereinafter the "Authority") operates a Section 8 Housing Choice Voucher Program hereinafter (the "Voucher Program"), in accordance with regulations promulgated by the United States Department of Housing and Urban Development ("HUD"); and

**WHEREAS**, HUD requires that the Authority adopt payment standards for the Section 8 Program; and

**WHEREAS**, the Authority has determined to replace the current 2015 fair market rents with the 2016 fair market rents at the 40<sup>th</sup> percentile as this applies to the City of Rahway; and

**WHEREAS**, HUD has provided "Hypothetical" small area FMR's as opposed to the current FMR's which include, for RHA, all of Essex and Union Counties. These "Hypothetical" small area FMR's isolate rents just in Rahway and confirm our long standing view that rents in Rahway statistically are higher than the average FMR's developed using all of Essex and Union County statistics; and

**WHEREAS**, these "Hypothetical" small area FMR's have been taken into consideration to develop RHA's proposed Payment Standards; and

**WHEREAS**, HUD has implemented Budget subsidies as opposed to Unit Based costs requiring Housing Authorities nationwide to absorb possible expenditure overages; and

**WHEREAS**, in light of this year's new FMR's and while keeping in mind budgeting restraints, the following payment standards (including utilities) are proposed:

	<b>HUD 2015 FMR</b>	<b>Small Area 07065 FMR</b>	<b>HUD 2016 Proposed FMR</b>	<b>RHA 2015 Payment Standard</b>	<b>RHA Proposed 2016 Payment Standard</b>	<b>Percent Above 2016 HUD FMR</b>
Studio	\$1,025	\$1,130	\$1,031	\$960	\$970	-6.0%
1 Bedroom	\$1,063	\$1,180	\$1,086	\$1,110	\$1,180	8.7%
2 Bedroom	\$1,269	\$1,400	\$1,308	\$1,320	\$1,400	7.0%
3 Bedroom	\$1,637	\$1,827	\$1,675	\$1,660	\$1,800	7.5%
4 Bedroom	\$1,871	\$2,150	\$1,898	\$1,770	\$1,900	-

**NOW, THEREFORE, BE IT RESOLVED**, by the Commissioners of the Authority that the Authority hereby replaces its 2015 Payment Standards with new Payment Standards for 2016 for RHA's Section 8 Program effective October 1, 2015. Historically, HUD FMR's for Union/Essex County are lower than Rahway's actual rents for 2 & 3 bedroom units, thus the percentage above HUD FMR's.

**COMMISSIONER** Parson made a motion to adopt the above resolution, which was seconded by **COMMISSIONER** Pekarofski, and on a roll call vote the Ayes and Nays were as follows:

**AYES**

Bailey  
Parson  
Pekarofski  
Ragan

**NAYS**


**ABSTAIN**

**ABSENT**

Lesinski  
Thomas

**THE CHAIRPERSON** thereupon declared Resolution No. 1499 adopted.

I certify that the foregoing is a true copy of a resolution of the Housing Authority of the City of Rahway adopted on September 10, 2015.

  
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Kenneth Pushko  
Secretary/Executive Director

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