

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

**RESOLUTION NO. 1599**

**DATE OF ADOPTION: SEPTEMBER 12, 2019**

**SUBJECT:** REVISION FROM THE 2019 FAIR MARKET RENT (FMR) TO THE 2020 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, 2019

**THE FOLLOWING RESOLUTION** was written by Kenneth Pushko, Executive Director/Secretary and submitted at a Regular Meeting held on September 12, 2019:

**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 2019 fair market rents with the 2020 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 for 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 2019 FMR</b>	<b>Small Area 07065 FMR</b>	<b>HUD 2020 FMR</b>		<b>RHA 2019 Payment Standard</b>	<b>RHA Proposed 2020 Payment Standard</b>	<b>Percent Above 2019 HUD FMR</b>
Studio	1042	1210	1034		1000	1000	-
1 Bedroom	1188	1420	1218		1300	1340	10%
2 Bedroom	1447	1730	1483		1560	1600	7.9%
3 Bedroom	1847	2110	1891		2000	2050	8.4%
4 Bedroom	2159	2610	2236		2160	2230	-

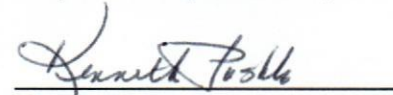
**NOW, THEREFORE, BE IT RESOLVED**, by the Commissioners of the Authority that the Authority hereby replaces its 2019 Payment Standards with new Payment Standards for 2020 for RHA's Section 8 Program effective October 1, 2019. Historically, HUD FMR's for Union/Essex County are lower than Rahway's actual rents for 1, 2 & 3 bedroom units, thus the percentage above HUD FMR's.

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

<u>AYES</u>	<u>NAYS</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Gonzalez			Thomas
Lesinski			
Pekarofski			
Ragan			
Simon			
Thomas-Petit			

**THE CHAIRPERSON** thereupon declared Resolution No. 1599 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 12, 2019.

  
\_\_\_\_\_  
Kenneth Pushko  
Secretary/Executive Director

Kap