

RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF RAHWAY

RESOLUTION NO. 1571

DATE OF ADOPTION: SEPTEMBER 13, 2018

SUBJECT: REVISION FROM THE 2018 FAIR MARKET RENT (FMR) TO THE 2019 FMR AT THE 40TH PERCENTILE AS PAYMENT STANDARD FOR THE SECTION 8 RENT SUBSIDY PROGRAM FOR THE TWELVE MONTH PERIOD STARTING SEPTEMBER 13, 2018

THE FOLLOWING RESOLUTION was written by Kenneth Pushko, Executive Director/Secretary and submitted at a Regular Meeting held on September 13, 2018:

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 2018 fair market rents with the 2019 fair market rents at the 40th 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:

	HUD 2018 FMR	Small Area 07065 FMR	HUD 2019 FMR		RHA 2018 Payment Standard	RHA Proposed 2019 Payment Standard	Percent Above 2018 HUD FMR
Studio	988	1170	1042		988	1000	-
1 Bedroom	1082	1340	1188		1190	1300	9.1%
2 Bedroom	1314	1630	1447		1430	1560	8%
3 Bedroom	1685	2080	1847		1830	2000	8%
4 Bedroom	1950	2430	2159		1920	2160	-

NOW, THEREFORE, BE IT RESOLVED, by the Commissioners of the Authority that the Authority hereby replaces its 2018 Payment Standards with new Payment Standards for 2019 for RHA's Section 8 Program effective September 13, 2018. 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 Lesinski 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:

AYES

Lesinski
Pekarofski
Ragan
Simon

NAYS

ABSTAIN

ABSENT

Thomas

THE CHAIRPERSON thereupon declared Resolution No. 1571 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 13, 2018.



Kenneth Pushko
Secretary/Executive Director

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