

HACSB VOUCHER PROGRAMS PAYMENT STANDARDS OVERVIEW

What is a payment standard?

A payment standard is used to calculate the rental assistance subsidy, or Housing Assistance Payment (HAP), paid to a property owner on behalf of a household participating in a rental assistance program. The HAP cannot exceed the payment standard, and, for households participating in the Housing Authority of the County of San Bernardino's (HACSB) Moving to Work (MTW) rental assistance programs, the payment standard is also the maximum rent that a landlord may charge.

Why are there three (3) sets of payment standards?

HACSB has developed three (3) sets of payment standards to meet the needs of our various rental assistance programs. Each program has different regulations and policies related to rents, payment standards, and the calculation of the tenant's rent portion.

- The Emergency Housing Voucher (EHV) program has its own payment standards based on that program's requirements.
- The Special Purpose Voucher Program payment standards are for the Continuum of Care (CoC) and Housing Opportunities for Persons with AIDS (HOPWA) programs as a rent and utility cost (gross rent) cap.
- All other programs use HACSB's MTW Local Payment Standards.

How does HACSB set payment standards?

- For MTW rental assistance programs and Veterans Affairs Supportive Housing (VASH), HACSB has
 identified nine rental submarkets within San Bernardino County. MTW Local Payment Standards are
 determined based on an annual evaluation of market rents for each bedroom size within the nine rental
 submarkets.
- For Special Purpose Voucher Programs, payment standards are set based on a percentage of the Fair Market Rent (FMR) published annually by the U.S. Dept. of Housing and Urban Development (HUD) for the San Bernardino/Riverside Metropolitan Statistical Area.
- The EHV program payment standards are based on both the MTW payment standards and the FMR to establish payment standards for four (4) regions within San Bernardino County. The payment standards are reviewed annually.

How is the rent I can charge for my unit determined?

For all units, the requested rent amount must be reasonable. HACSB performs a rent reasonableness analysis by locating at least three nearby comparable units with similar amenities renting at the same or higher rates.

- For VASH and EHV, the rent must also be affordable to the participant. The maximum rent is based on the participant's ability to pay for rent and utilities. Therefore, the maximum rent may be higher or lower than the payment standard, depending upon a participant's individual circumstances.
- For CoC and HOPWA, the maximum rent minus the tenant utility allowance is capped at the FMR or the payment standard.



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• For MTW rental assistance programs, the requested rent must be reasonable and cannot exceed the Local Payment Standard. For these reasons, not all units will be approved with rents at the payment standard amount.

Can a rent increase affect the tenant's rent share?

- A rent increase occurring between recertifications will increase the participant's rent share if the new
 rent exceeds the previous payment standard. Recertifications take place every 2-3 years. For the MTW
 rental assistance program, payment standard increases are only applied at recertification or move <u>unless</u>
 the participant is over-housed (residing in a unit with more bedrooms than the number of bedrooms for
 which they are eligible based on household size).
- For VASH and EHV, payment standard increases are only applied at recertification or move. The participant is responsible for paying any amount of rent over the payment standard in addition to their income-based rent share (30% of the family's monthly adjusted income) regardless of unit size.
- For CoC and HOPWA, the participant's rent share is not affected by rent increases.