TO: Wichita Housing Authority Board  
SUBJECT: 2017 Payment Standard – Housing Choice Voucher Program  
INITIATED BY: Housing and Community Services Department  
AGENDA: Wichita Housing Authority (Consent)

**Recommendation:** Approve the 2017 payment standard for the Housing Choice Voucher Program to be effective on March 1, 2017.

**Background:** The Quality Housing and Work Responsibility Act (QHWRA) of 1998 requires public housing authorities to establish a Housing Choice Voucher payment standard between 90 percent and 110% percent of the Fair Market Rents (FMRs) published by the U.S. Department of Housing and Urban Development (HUD), for applicable bedroom/unit sizes. The payment standard is used to calculate the amount of the monthly subsidy paid to landlords, and take into account tenant-paid utilities. The QHWRA also includes a provision that tenants initially receiving Housing Choice Voucher tenant-based rental assistance may not be required to pay more than 40 percent of their adjusted monthly income for rent and utilities.

HUD published a notice of Fair Market Rents (FMRs), effective on October 1, 2016. These FMRs are calculated to be at the 40th percentile of rents in the Wichita area, and include an allowance for utilities. The 2017 payment standard is consistent with the City’s Comprehensive Housing Policy, specifically, the components related to affordability, availability, and neighborhood stability. The payment standard is also in accordance with the departmental goal to increase and preserve the supply of housing in order to maintain affordability for residents earning 50 percent or less of the area median income, which is currently $65,200.

**Analysis:** In order to determine an appropriate payment standard for the Housing Choice Voucher Program, staff reviewed requests for tenancy and actual rents for the months of January through November 2016, and calculated an average rent payment. As a result of staff review, the following table reflects the 2016 FMR and the proposed payment standard for 2017:

<table>
<thead>
<tr>
<th>Bedroom Size</th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
<tbody>
<tr>
<td>FMR (10/01/2016)</td>
<td>$485</td>
<td>$575</td>
<td>$764</td>
<td>$1,041</td>
<td>$1,206</td>
<td>$1,386</td>
<td>$1,567</td>
</tr>
<tr>
<td>2017 Payment Standard</td>
<td>$533</td>
<td>$632</td>
<td>$840</td>
<td>$1,145</td>
<td>$1,266</td>
<td>$1,386</td>
<td>$1,567</td>
</tr>
</tbody>
</table>

**Financial Considerations:** The proposed payment standard will enable the Housing Choice Voucher Program to assist as many households as possible. There will be no effect on the General Fund.

**Legal Considerations:** The Law Department has reviewed the 2017 payment standard and has approved it as to form.
**Recommended Action:** It is recommended that the Wichita Housing Authority Board approve the 2017 payment standard for the Housing Choice Voucher Program to be effective on March 1, 2017.

**Attachments:** None.