



CHANGING LIVES

Payment Standards and Affordability Calculator

Rent Ready Mini Session



What are Payment Standards?

The HCV program has limits on how much subsidy can be paid for a rental unit determined by HUD.

The maximum monthly amount of assistance a family can receive that includes both contract rent amount and utility allowance.



Payment standards are not the maximum amount that can be charged by Landlords.

The contract rent amount must be determined reasonable with a rent study.

Payment Standards Effective December 1, 2023

ZIP Code	Studio	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Five Bedroom
95608	\$1,584	\$1,705	\$2,123	\$2,959	\$3,399	\$3,908
95610	\$1,705	\$1,837	\$2,288	\$3,190	\$3,663	\$4,211
95615	\$1,067	\$1,155	\$1,430	\$1,991	\$2,288	\$2,631
95621	\$1,617	\$1,749	\$2,178	\$3,036	\$3,487	\$4,009
95624	\$1,958	\$2,112	\$2,629	\$3,663	\$4,213	\$4,844
95626	\$1,826	\$1,969	\$2,453	\$3,410	\$3,927	\$4,515
95628	\$1,738	\$1,870	\$2,332	\$3,245	\$3,740	\$4,301
95630	\$2,200	\$2,365	\$2,948	\$4,103	\$4,730	\$5,439
95632	\$1,551	\$1,672	\$2,079	\$2,893	\$3,333	\$3,832
95638	\$1,705	\$1,837	\$2,288	\$3,190	\$3,663	\$4,211
95641	\$1,089	\$1,177	\$1,463	\$2,035	\$2,343	\$2,693
95652	\$1,749	\$1,881	\$2,343	\$3,256	\$3,751	\$4,313
95660	\$1,529	\$1,650	\$2,057	\$2,860	\$3,300	\$3,795
95655	\$2,376	\$2,563	\$3,190	\$4,444	\$5,115	\$5,881
95662	\$1,870	\$2,024	\$2,519	\$3,509	\$4,037	\$4,642
95670	\$1,507	\$1,628	\$2,024	\$2,816	\$3,245	\$3,721

Search the Payment Standard flyer for the zip code of the unit and the lower of the voucher size or the unit size to find the maximum payment standard.

- The payment standard for a three-bedroom apartment in the Zip Code 95820 is \$2,783.
- The landlord requests a contract rent of \$2,600.
- SHRA runs a rent comparability study and the highest approvable contract rent amount is \$2,475.
- SHRA will communicate with the Landlord the amount of \$2,475 to approve the amount.





Is the unit affordable?

<https://portal.shra.org/HCVForms/AffWorksheet>



**The Affordability Worksheet
Calculator calculates**

- **the tenant portion**
- **the Housing Assistance
Payment amount and**
- **if the unit is approvable**



Calculation Summary
Example Client (t0017430)
11/7/2023

In the voucher issuance packet, there is a Calculation Summary form that has the income information to complete the Affordability Worksheet Calculator.

Rent Affordability Worksheet for Housing Choice Voucher Participants

Please note that while this rent amount is approved on this worksheet, the rent amount must still meet the rent reasonableness analysis test.

Move in Date	<input type="text" value="mm/dd/yyyy"/>	Type of Unit	<input type="text"/>
Authorized Voucher Size	<input type="text" value="0"/>	Total BR Size of Unit	<input type="text" value="0"/>
Total Family Members	<input type="text" value="0"/>	Non-Eligible Non-Citizen Family Members	<input type="text" value="0"/>
Gross Annual Income	<input type="text" value="0.00"/>	Adjusted Annual Income	<input type="text" value="0.00"/>
How much is the rent?	<input type="text" value="0.00"/>	Zipcode	<input type="text" value="0"/>
Will tenant be renting the entire unit?	<input type="text" value="Yes"/>		

Utilities - indicate which utilities tenant will be paying (not paid for by the owner)

Cooking	<input type="text" value="Tenant not paying"/>	Heating	<input type="text" value="Tenant not paying"/>
Water Heating	<input type="text" value="Tenant not paying"/>	Other Electric- if tenant pays electricity bill	<input type="checkbox"/>
Air Conditioning- if unit has a/c and tenant pays electric bill	<input type="checkbox"/>	Water- if tenant pays water bill	<input type="checkbox"/>
Sewer- if tenant pays sewer bill	<input type="checkbox"/>	Trash - if tenant pays trash collection bill	<input type="checkbox"/>

Tenant supplied appliances - indicate if tenant provides

Range or Microwave if there is no range	<input type="checkbox"/>	Refrigerator	<input type="checkbox"/>
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Optional Information

Name	<input type="text"/>	Tenant Code	<input type="text"/>
Prospective Address	<input type="text"/>	Thomas Grid	<input type="text"/>
Voucher Issue Date	<input type="text" value="mm/dd/yyyy"/>	Voucher Expiration Date	<input type="text" value="mm/dd/yyyy"/>

Enter the information required.

Move in Date	<input type="text" value="12/02/2023"/>	Type of Unit	<input type="text" value="HCV Detached House"/>
Authorized Voucher Size	<input type="text" value="3"/>	Total BR Size of Unit	<input type="text" value="3"/>
Total Family Members	<input type="text" value="4"/>	Non-Eligible Non-Citizen Family Members	<input type="text" value="0"/>
Gross Annual Income	<input type="text" value="19850"/>	Adjusted Annual Income	<input type="text" value="18700"/>
How much is the rent?	<input type="text" value="2600"/>	Zipcode	<input type="text" value="95829"/>
Will tenant be renting the entire unit?	<input type="text" value="Yes"/>		

Utilities - indicate which utilities tenant will be paying (not paid for by the owner)

Cooking	<input type="text" value="Oil/Electric"/>	Heating	<input type="text" value="Oil/Electric"/>
Water Heating	<input type="text" value="Oil/Electric"/>	Other Electric- if tenant pays electricity bill	<input checked="" type="checkbox"/>
Air Conditioning- if unit has a/c and tenant pays electric bill	<input checked="" type="checkbox"/>	Water- if tenant pays water bill	<input type="checkbox"/>
Sewer- if tenant pays sewer bill	<input type="checkbox"/>	Trash - if tenant pays trash collection bill	<input type="checkbox"/>

Tenant supplied appliances - indicate if tenant provides

Range or Microwave if there is no range	<input type="checkbox"/>	Refrigerator	<input type="checkbox"/>
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Optional Information

Name	<input type="text"/>	Tenant Code	<input type="text"/>
Prospective Address	<input type="text"/>	Thomas Grid	<input type="text"/>
Voucher Issue Date	<input type="text" value="11/01/2023"/>	Voucher Expiration Date	<input type="text" value="01/31/2024"/>

All the amounts and selections will calculate the rent amounts.

Approvable ?

Utilities - indicate which utilities tenant will be paying (not paid for by the owner)

Cooking	<input type="text" value="Natural Gas"/>	Heating	<input type="text" value="Oil/Electric"/>
Water Heating	<input type="text" value="Natural Gas"/>	Other Electric- if tenant pays electricity bill	<input type="text" value="Oil/Electric"/>
Air Conditioning- if unit has a/c and tenant pays electric bill	<input checked="" type="checkbox"/>	Water- if tenant pays water bill	<input type="checkbox"/>
Sewer- if tenant pays sewer bill	<input type="checkbox"/>	Trash - if tenant pays trash collection bill	<input type="checkbox"/>

Tenant supplied appliances - indicate if tenant provides

Range or Microwave if there is no range	<input type="checkbox"/>	Refrigerator	<input type="checkbox"/>
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SELECT FROM THE DROP DOWN IF THE TENANT PAYS THE UTILITY.

**IF THE TENANT PROVIDES THE RANGE OR THE REFRIGERATOR,
CHECK THE BOXES.**



THIS UNIT IS APPROVABLE.

November 07, 2023

Name:
Prospective Address:
Voucher Issue Date: 11-01-2023

Tenant Code:
Thomas Grid:
Voucher Expiration Date: 01-31-2024

- 1. Authorized Voucher Size:
- 2. Total BR Size of Unit:
- 3. Authorized Payment Standard for zipcode 95829 (from schedule using lower of voucher size and unit size):
- 4. Utility Allowance (from schedule using lower of voucher size and unit size):
 - Unit Type: HCV Detached House
 - Cooking - Electric: 13
 - Heating - Electric: 35
 - Water Heating - Electric: 31
 - Other Electric: 68
 - Flat Fee Electric: 23
 - Air Conditioning: 36

3
3
3,872
206

This is the utility calculation

- 5. How much is the rent?:
- 6. Gross Rent of Unit (Contract Rent plus Utility Allowance):

2,600
2806

If Gross Rent is less than Payment Standard (line 6 < line 3) then unit is approvable. You can stop here. Otherwise 40% rule (below) applies.

- 7. Adjusted Monthly Income (ami):
- 8. Unadjusted Monthly Income (umi):
- 9. TTP (higher of 30% of ami or 10% of umi or \$50):
- 10. Total Housing Payment (GR - TTP):
- 11. Tenant's Portion of Rent (Contract Rent - Total Housing Payment):

1558
1654
467
2338
262
623

This is tenant portion

Note: if this amount is negative, it is sent to the tenant, called utility reimbursement payment, and tenant rent to owner is zero

- 12. 40% of adjusted monthly:

40% Rule: If Tenant Portion of Rent plus Utility Allowance is less than 40% of monthly adjusted income, (line 11 plus line 4 < line 12) then unit is approvable

This unit is approvable

What Makes Up Gross Rent?

Contract Rent



+

Utility Allowance

*Average cost of utilities not included in rent
(except telephone)



= Gross Rent





THIS UNIT IS **NOT** APPROVABLE.

November 07, 2023

Name:
Prospective Address:
Voucher Issue Date: 11-01-2023

Tenant Code:
Thomas Grid:
Voucher Expiration Date: 01-31-2024

- 1. Authorized Voucher Size:
- 2. Total BR Size of Unit:
- 3. Authorized Payment Standard for zipcode 95815 (from schedule using lower of voucher size and unit size):
- 4. Utility Allowance (from schedule using lower of voucher size and unit size):

Unit Type: HCV Detached House
 Cooking - Natural Gas: 13
 Heating - Electric: 35
 Water Heating - Natural Gas: 38
 Other Electric: 68
 Flat Fee Electric: 23
 Air Conditioning: 38

- 5. How much is the rent?:
- 6. Gross Rent of Unit (Contract Rent plus Utility Allowance):

3
3
2,530
213

2,600
2813

1558
1654
467
2062
538

623

If Gross Rent is less than Payment Standard (line 6 < line 3) then unit is approvable. You can stop here. Otherwise 40% rule (below) applies.

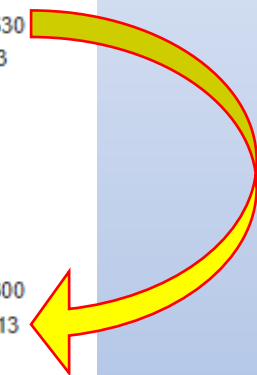
- 7. Adjusted Monthly Income (ami):
- 8. Unadjusted Monthly Income (umi):
- 9. TTP (higher of 30% of ami or 10% of umi or \$50):
- 10. Total Housing Payment (PS - TTP):
- 11. Tenant's Portion of Rent (Contract Rent - Total Housing Payment):

Note: if this amount is negative, it is sent to the tenant, called utility reimbursement payment, and tenant rent to owner is zero

- 12. 40% of adjusted monthly:

40% Rule: If Tenant Portion of Rent plus Utility Allowance is less than 40% of monthly adjusted income, (line 11 plus line 4 < line 12) then unit is approvable

This unit is not approvable



The gross rent is higher than the payment standard for this zip code.

If the gross rent exceeds the payments standard, the family pays 30% of their income and every dollar over the payment standard.

At initial lease-up, this amount can not exceed 40% of the family's income.

Contract Rent + Utility Allowance = Gross Rent

$$\$2,000 + \$225 = \$2,225$$

30% of family monthly income = \$300

40% of family monthly income = **\$400**

Payment Standard = \$1,900

Gross Rent - Payment Standard =

$$\$2,225 - \$1,900 = \$325$$

Family will pay tenant rent \$300 + \$325 = **\$625**

This unit is unaffordable



Benefit of finding a unit under the payment standard that meets the rent reasonable criteria

Contract Rent + Utility Allowance = Gross Rent

$$\text{\$2,000} + \text{\$225} = \text{\$2,225}$$

30% of Family monthly income = \\$300

Payment Standard = \\$2,500

The Gross Rent does not exceed the Payment Standard

30% of Family Income – Utility Allowance =

$$\text{\$300} - \text{\$225} = \text{\$75}$$

**Family will pay tenant rent of \\$75
and the unit is affordable**

Questions

