

## HOUSING AUTHORITY OF THE BIRMINGHAM DISTRICT

## 2023 Exception Payment Standards based on

## 120% of 40th Percentile FMRs

(Based on Bedroom Size)

## **EFFECTIVE DECEMBER 1, 2022**

Bedroom Size	SRO	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR	7 BR	8 BR
Payment Standards - 120% of 40 <sup>th</sup> Percentile FY 2023 FMRs	\$779	\$1,039	\$1,130	\$1,290	\$1,651	\$1,792	\$2,061	\$2,330	\$2,599	\$2,868

The above payment standards schedule reflects 120% of the FY 2023 Fair Market Rents in the Housing Authority of Birmingham District (HABD) jurisdiction for all bedroom sizes, only in the following zip codes: 35005, 35006, 35016, 35020, 35021, 35022, 35023, 35036, 35048, 35060, 35062, 35064, 35073, 35074, 35091, 35094, 35111, 35116, 35117, 35118, 35119, 35130, 35139. 35150, 35172, 35180, 35181, 35201, 35202, 35203, 35204, 35206,35207, 35208, 35210, 35211, 35212, 35214, 35215, 35217, 35218, 35219, 35220, 35221, 35222, 35224, 35228, 35229, 35231, 35232, 35234, 35236, 35249, 35253, 35254, 35255, 35259, 35260, 35261, 35266, 35285, 35293, 35294 and 35295.

Payment Standards are used to calculate the maximum amount of Housing Assistance Payments the Housing Authority of the Birmingham District (HABD) is authorized to pay for the family. Payment Standards do <u>not</u> determine the amount of contract rent to the property owner. Payment Standards are used to calculate the maximum amount of Housing Assistance Payments (HAP) otherwise known as rent subsidy payments, that HABD is authorized to pay on behalf of voucher-assisted households after also factoring 30 percent of their monthly adjusted income and tenant-paid utility allowances.

The amount of gross rent that HABD may offer a property owner is governed by HUD's rent reasonableness regulations [24 CFR 982.507(4)], under which HABD considers: the location, size, unit type, quality, and age of the contract unit; as well as any amenities, housing services, maintenance, and utilities to be provided by the owner in accordance with the lease. HABD's rent reasonableness process includes comparable rents being charged for similar units unassisted dwelling units in the area of the subject property. Reasonable rents must also not exceed rents charged for comparable unassisted units in which tenants have lived for approximately the same amount of time. Reasonable rents also factor in the amount of HABD's tenant-paid utility allowances.

Upon initially leasing a dwelling unit, a voucher-assisted participant cannot pay more than 40% of their adjusted gross income for rent and tenant-paid utility (allowances). If the rent plus utility allowance cost is at or below these Payment Standards, the participant will only pay 30% of their adjusted gross income and the 40% figure would not apply.

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