

**RESOLUTION 19-920**

**A RESOLUTION AMENDING THE SECTION 8 VOUCHER PAYMENT STANDARDS FOR YAKIMA AND KITTITAS COUNTIES**

**WHEREAS**, the Yakima Housing Authority (YHA) finds it necessary to adjust the Voucher Payment Standards due to new Fair Market Rents (FMR's) released from HUD

**WHEREAS**, YHA also proposes to leave the payment standard for Yakima and Kittitas County at 100% of the current FMR's

**NOW THEREFORE, BE IT RESOLVED**, the Board of Commissioners of the Housing Authority of the City of Yakima, in a special meeting, a quorum being present, agrees to adopt the proposed Voucher Payment Standards, effective January 1, 2020

<b>Size</b>	<b>Yakima</b>	<b>Kittitas</b>
0	\$685	\$658
1	\$769	\$767
2	\$1,013	\$1,010
3	\$1,400	\$1,457
4	\$1,555	\$1,773
5	\$1,788	\$2,038
6	\$2,022	\$2,305
7	\$2,255	\$2,571

**PASSED AND ADOPTED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY FO THE CITY OF YAKIMA THIS 25<sup>TH</sup> DAY OF SEPTEMBER 2019**

Attest:

  
Secretary

  
Chairman, Board of Commissioners

9-25-2019

Date



# FY 2020 FAIR MARKET RENT DOCUMENTATION SYSTEM

## The FY 2020 Yakima, WA MSA FMRs for All Bedroom Sizes

### Final FY 2020 & Final FY 2019 FMRs By Unit Bedrooms

Year	<u>Efficiency</u>	<u>One-Bedroom</u>	<u>Two-Bedroom</u>	<u>Three-Bedroom</u>	<u>Four-Bedroom</u>
FY 2020 FMR	\$685	\$769	\$1,013	\$1,400	\$1,555
<u>FY 2019 FMR</u>	\$556	\$637	\$837	\$1,144	\$1,285

Yakima County, WA is part of the Yakima, WA MSA, which consists of the following counties: Yakima County, WA. All information here applies to the entirety of the Yakima, WA MSA.

### Fair Market Rent Calculation Methodology

#### *Show/Hide Methodology Narrative*

Fair Market Rents for metropolitan areas and non-metropolitan FMR areas are developed as follows:

1. 2013-2017 5-year American Community Survey (ACS) estimates of 2-bedroom adjusted standard quality gross rents calculated for each FMR area are used as the new basis for FY2020 provided the estimate is statistically reliable. For FY2020, the test for reliability is whether the margin of error for the estimate is less than 50% of the estimate itself and whether the ACS estimate is based on at least 100 survey cases. HUD does not receive the exact number of survey cases, but rather a categorical variable known as the count indicator indicating a range of cases. An estimate based on at least 100 cases corresponds to a count indicator of 4 or higher.

If an area does not have a reliable 2013-2017 5-year, HUD checks whether the area has had at least minimally reliable estimate in any of the past 3 years, or estimates that meet the 50% margin of error test described above. If so, the FY2020 base rent is the average of the inflated ACS estimates.

If an area has not had a minimally reliable estimate in the past 3 years, the estimate State for the area's corresponding metropolitan area (if applicable) or State non-metropolitan area is used as the basis for FY2020.

2. HUD calculates a recent mover adjustment factor by comparing a 2017 1-year 40th percentile recent mover 2-bedroom rent to the 2013-2017 5-year 40th percentile adjusted standard quality gross rent. If either the recent mover and non-recent mover rent estimates are not reliable, HUD uses the recent mover adjustment for a larger geography. For metropolitan areas, the order of geographies examined is: FMR Area, Entire Metropolitan Area (for Metropolitan Sub-Areas), State Metropolitan Portion, Entire State, and Entire US; for non-metropolitan areas, the order of geographies examined is: FMR Area, State Non-Metropolitan Portion, Entire State, and Entire US. The recent mover adjustment factor is floored at one.
3. HUD calculates the appropriate recent mover adjustment factor between the 5-year data and the 1-year data and applies this to the 5-year base rent estimate.
4. Rents are calculated as of 2018 using the relevant (regional or local) change in gross rent Consumer Price Index (CPI) from annual 2017 to annual 2018.
5. All estimates are then inflated from 2018 to FY2020 using a trend factor based on the forecast of gross rent changes through FY2020.
6. FY2020 FMRs are then compared to a State minimum rent, and any area whose preliminary FMR falls below this value is raised to the level of the State minimum.
7. FY2020 FMRs may not be less than 90% of FY2019 FMRs.

**The results of the Fair Market Rent Step-by-Step Process**

- The following are the 2017 American Community Survey 5-year 2-Bedroom Adjusted Standard Quality Gross Rent estimate and margin of error for Yakima, WA MSA.

<b>Area</b>	<b>ACS<sub>2017</sub> 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent</b>	<b>ACS<sub>2017</sub> 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent Margin of Error</b>	<b>Ratio</b>	<b>Sample Size Category</b>	<b>Result</b>
Yakima, WA MSA	<u>\$771</u>	\$14	$\frac{\$14}{\$771} = 0.018$	6	0.018 < .5 6 ≥ 4 Use ACS <sub>2017</sub> 5-Year Yakima, WA MSA 2-Bedroom Adjusted Standard Quality Gross Rent

Since the ACS<sub>2017</sub> Margin of Error Ratio is less than .5, the ACS<sub>2017</sub> Yakima, WA MSA value is used for the estimate of 2-Bedroom Adjusted Standard Quality Gross Rent:

<b>Area</b>	<b>FY2020 Base Rent</b>
Yakima, WA MSA	\$771

- A recent mover adjustment factor is applied based on the smallest area of geography which contains Yakima, WA MSA and has an ACS<sub>2017</sub> 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5.

Area	ACS <sub>2017</sub> 1-Year Adjusted Standard Quality Recent- Mover Gross Rent	ACS <sub>2017</sub> 1-Year Adjusted Standard Quality Recent- Mover Gross Rent Margin of Error	Ratio	Sample Size Category	Result
Yakima, WA MSA – 2 Bedroom	<u>\$856</u>	\$128	0.15	1	1 < 4 Do Not Use ACS <sub>2017</sub> 1-Year Yakima, WA MSA 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent
Yakima, WA MSA – All Bedroom	<u>\$737</u>	\$32	0.043	3	3 < 4 Do Not Use ACS <sub>2017</sub> 1-Year Yakima, WA MSA All Bedroom Adjusted Standard Quality Recent-Mover Gross Rent
Washington Metropolitan Portion – 2 Bedroom	<u>\$1,236</u>	\$29	0.023	6	0.023 < .5 6 ≥ 4 Use ACS <sub>2017</sub> 1-Year Metropolitan Portion 2-Bedroom Adjusted Standard Quality

<b>Area</b>	<b>ACS<sub>2017</sub> 1-Year Adjusted Standard Quality Recent- Mover Gross Rent</b>	<b>ACS<sub>2017</sub> 1-Year Adjusted Standard Quality Recent- Mover Gross Rent Margin of Error</b>	<b>Ratio</b>	<b>Sample Size Category</b>	<b>Result</b>
					Recent-Mover Gross Rent

The smallest area of geography which contains Yakima, WA MSA and has an ACS<sub>2017</sub> 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5 and with a sufficient number of sample cases is the Washington Metropolitan Portion.

3. The calculation of the relevant Recent-Mover Adjustment Factor for Yakima, WA MSA is as follows:

<b>ACS<sub>2017</sub> 5-Year Area</b>	<b>ACS<sub>2017</sub> 5-Year 40th Percentile Adjusted Standard Quality Gross Rent</b>	<b>ACS<sub>2017</sub> 1-Year 40th Percentile Adjusted Standard Quality Recent- Mover Gross Rent</b>
Washington Metropolitan Portion – 2 Bedroom	<u>\$1,032</u>	<u>\$1,236</u>

<b>Area</b>	<b>Ratio</b>	<b>Recent-Mover Adjustment Factor</b>
Yakima, WA MSA	$\frac{\$1,236}{\$1,032} = 1.198$	$1.1977 \geq 1.0$ Use calculated Recent-Mover Adjustment Factor of 1.1977

4. The calculation of the relevant CPI Update Factors for Yakima, WA MSA is as follows: HUD updates the 2017 intermediate rent with the ratio of the annual 2018 local or regional CPI to the annual 2017 local or regional CPI to establish rents as of 2018.

<b>Update Factor</b>	<b>Type</b>

CPI Update Factor	<u>1.0339</u>	Region CPI
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5. The calculation of the Trend Factor is as follows: HUD forecasts the change in national gross rents from 2018 to 2020 for each CPI area and Census Region. This makes Fair Market Rents "as of" FY2020.

Trend Factor	Trend Factor Type
<u>1.0612</u>	Region

6. The FY 2020 2-Bedroom Fair Market Rent for Yakima, WA MSA is calculated as follows:

Area	<u>ACS<sub>2017</sub> 5-Year Estimate</u>	<u>Recent- Mover Adjustment Factor</u>	<u>Annual 2017 to 2018 CPI Adjustment</u>	<u>Trending 1.0612 to FY2020</u>	FY 2020 2-Bedroom FMR
Yakima, WA MSA	\$771	1.1977	1.0339	1.0612	\$771 * 1.198 * 1.0339 * 1.0612=\$1,013

7. In keeping with HUD policy, the preliminary FY 2020 FMR is checked to ensure that it does not fall below the state minimum.

Area	Preliminary FY2020 2-Bedroom FMR	FY 2020 Washington State Minimum	Final FY2020 2-Bedroom FMR
Yakima, WA MSA	\$1,013	<u>\$714</u>	\$1,013 ≥ \$714 Use Yakima, WA MSA FMR of \$1,013

8. Bedroom ratios are applied to calculate FMRs for unit sizes other than two bedrooms.

Click on the links in the table to see how the bedroom ratios are calculated.

FY 2020 FMRs By Unit Bedrooms				
<u><a href="#">Efficiency</a></u>	<u><a href="#">One- Bedroom</a></u>	Two- Bedroom	<u><a href="#">Three- Bedroom</a></u>	<u><a href="#">Four- Bedroom</a></u>

FY 2020 FMR	\$685	\$769	\$1,013	\$1,400	\$1,555
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9. The FY2020 FMR must not be below 90% of the FY2019 FMR.

	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY2019 FMR	\$556	\$637	\$837	\$1,144	\$1,285
FY2019 floor	\$500	\$573	\$753	\$1,030	\$1,157
FY 2020 FMR	\$685	\$769	\$1,013	\$1,400	\$1,555
Use FY2019 floor for FY2020?	No	No	No	No	No

### Final FY2020 Rents for All Bedroom Sizes for Yakima, WA MSA

The following table shows the Final FY 2020 FMRs by bedroom sizes.

Final FY 2020 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Final FY 2020 FMR	\$685	\$769	\$1,013	\$1,400	\$1,555

The FMRs for unit sizes larger than four bedrooms are calculated by adding 15 percent to the four bedroom FMR, for each extra bedroom. For example, the FMR for a five bedroom unit is 1.15 times the four bedroom FMR, and the FMR for a six bedroom unit is 1.30 times the four bedroom FMR. FMRs for single-room occupancy units are 0.75 times the zero bedroom (efficiency) FMR.

Permanent link to this page: [http://www.huduser.gov/portal/data/sets/fmr/fmrs/FY2020\\_code/2020summary.odn?&year=2020&fmrtype=Final&selection\\_type=county&fips=5307799999](http://www.huduser.gov/portal/data/sets/fmr/fmrs/FY2020_code/2020summary.odn?&year=2020&fmrtype=Final&selection_type=county&fips=5307799999)

Select a different area





# FY 2020 FAIR MARKET RENT DOCUMENTATION SYSTEM

## The FY 2020 Kittitas County, WA FMRs for All Bedroom Sizes

### Final FY 2020 & Final FY 2019 FMRs By Unit Bedrooms

Year	<u>Efficiency</u>	<u>One-Bedroom</u>	<u>Two-Bedroom</u>	<u>Three-Bedroom</u>	<u>Four-Bedroom</u>
FY 2020 FMR	\$658	\$767	\$1,010	\$1,457	\$1,773
<u>FY 2019 FMR</u>	\$610	\$718	\$950	\$1,374	\$1,669

Kittitas County, WA is a non-metropolitan county.

### Fair Market Rent Calculation Methodology

#### Show/Hide Methodology Narrative

Fair Market Rents for metropolitan areas and non-metropolitan FMR areas are developed as follows:

1. 2013-2017 5-year American Community Survey (ACS) estimates of 2-bedroom adjusted standard quality gross rents calculated for each FMR area are used as the new basis for FY2020 provided the estimate is statistically reliable. For FY2020, the test for reliability is whether the margin of error for the estimate is less than 50% of the estimate itself and whether the ACS estimate is based on at least 100 survey cases. HUD does not receive the exact number of survey cases, but rather a categorical variable known as the count indicator indicating a range of cases. An estimate based on at least 100 cases corresponds to a count indicator of 4 or higher.

If an area does not have a reliable 2013-2017 5-year, HUD checks whether the area has had at least minimally reliable estimate in any of the past 3 years, or estimates that meet the 50% margin of error test

described above. If so, the FY2020 base rent is the average of the inflated ACS estimates.

If an area has not had a minimally reliable estimate in the past 3 years, the estimate State for the area's corresponding metropolitan area (if applicable) or State non-metropolitan area is used as the basis for FY2020.

2. HUD calculates a recent mover adjustment factor by comparing a 2017 1-year 40th percentile recent mover 2-bedroom rent to the 2013-2017 5-year 40th percentile adjusted standard quality gross rent. If either the recent mover and non-recent mover rent estimates are not reliable, HUD uses the recent mover adjustment for a larger geography. For metropolitan areas, the order of geographies examined is: FMR Area, Entire Metropolitan Area (for Metropolitan Sub-Areas), State Metropolitan Portion, Entire State, and Entire US; for non-metropolitan areas, the order of geographies examined is: FMR Area, State Non-Metropolitan Portion, Entire State, and Entire US. The recent mover adjustment factor is floored at one.
3. HUD calculates the appropriate recent mover adjustment factor between the 5-year data and the 1-year data and applies this to the 5-year base rent estimate.
4. Rents are calculated as of 2018 using the relevant (regional or local) change in gross rent Consumer Price Index (CPI) from annual 2017 to annual 2018.
5. All estimates are then inflated from 2018 to FY2020 using a trend factor based on the forecast of gross rent changes through FY2020.
6. FY2020 FMRs are then compared to a State minimum rent, and any area whose preliminary FMR falls below this value is raised to the level of the State minimum.
7. FY2020 FMRs may not be less than 90% of FY2019 FMRs.

**The results of the Fair Market Rent Step-by-Step Process**

- The following are the 2017 American Community Survey 5-year 2-Bedroom Adjusted Standard Quality Gross Rent estimate and margin of error for Kittitas County, WA.

<b>Area</b>	<b>ACS<sub>2017</sub> 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent</b>	<b>ACS<sub>2017</sub> 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent Margin of Error</b>	<b>Ratio</b>	<b>Sample Size Category</b>	<b>Result</b>
Kittitas County, WA	<u>\$837</u>	\$28	\$28 / \$837=0.033	4	0.033 < .5 4 ≥ 4 Use ACS <sub>2017</sub> 5-Year Kittitas County, WA 2-Bedroom Adjusted Standard Quality Gross Rent

Since the ACS<sub>2017</sub> Margin of Error Ratio is less than .5, the ACS<sub>2017</sub> Kittitas County, WA value is used for the estimate of 2-Bedroom Adjusted Standard Quality Gross Rent:

<b>Area</b>	<b>FY2020 Base Rent</b>
Kittitas County, WA	\$837

- A recent mover adjustment factor is applied based on the smallest area of geography which contains Kittitas County, WA and has an ACS<sub>2017</sub> 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5.

<b>Area</b>	<b>ACS<sub>2017</sub> 1-Year Adjusted</b>	<b>ACS<sub>2017</sub> 1-Year Adjusted</b>	<b>Ratio</b>	<b>Sample Size Category</b>	<b>Result</b>
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	<b>Standard Quality Recent- Mover Gross Rent</b>	<b>Standard Quality Recent- Mover Gross Rent Margin of Error</b>			
<b>Kittitas County, WA - 2 Bedroom</b>	N/A	N/A	N/A	N/A	No ACS <sub>2017</sub> 1-Year 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent Produced For Kittitas County, WA
<b>Kittitas County, WA - All Bedroom</b>	N/A	N/A	N/A	N/A	No ACS <sub>2017</sub> 1-Year All Bedroom Adjusted Standard Quality Recent-Mover Gross Rent Produced For Kittitas County, WA
<b>Washington Non- metropolitan Portion - 2 Bedroom</b>	<u>\$871</u>	\$27	0.031	5	0.031 < .5 5 ≥ 4 Use ACS <sub>2017</sub> 1-Year Non- metropolitan Portion 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent

The smallest area of geography which contains Kittitas County, WA and has an ACS<sub>2017</sub> 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5 and with a sufficient number of sample cases is the Washington Non-metropolitan Portion.

- The calculation of the relevant Recent-Mover Adjustment Factor for Kittitas County, WA is as follows:

<b>ACS<sub>2017</sub> 5-Year Area</b>	<b>ACS<sub>2017</sub> 5-Year 40th Percentile Adjusted Standard Quality Gross Rent</b>	<b>ACS<sub>2017</sub> 1-Year 40th Percentile Adjusted Standard Quality Recent-Mover Gross Rent</b>
Washington Non-metropolitan Portion - 2 Bedroom	<u>\$792</u>	<u>\$871</u>

<b>Area</b>	<b>Ratio</b>	<b>Recent-Mover Adjustment Factor</b>
Kittitas County, WA	$\frac{\$871}{\$792} = 1.100$	$1.0997 \geq 1.0$ Use calculated Recent-Mover Adjustment Factor of 1.0997

- The calculation of the relevant CPI Update Factors for Kittitas County, WA is as follows: HUD updates the 2017 intermediate rent with the ratio of the annual 2018 local or regional CPI to the annual 2017 local or regional CPI to establish rents as of 2018.

	<b>Update Factor</b>	<b>Type</b>
CPI Update Factor	<u>1.0339</u>	Region CPI

- The calculation of the Trend Factor is as follows: HUD forecasts the change in national gross rents from 2018 to 2020 for each CPI area and Census Region. This makes Fair Market Rents "as of" FY2020.

<b>Trend Factor</b>	<b>Trend Factor Type</b>
<u>1.0612</u>	Region

- The FY 2020 2-Bedroom Fair Market Rent for Kittitas County, WA is calculated as follows:

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<b>Area</b>	<b><u>ACS<sub>2017</sub></u> <u>5-Year</u> <u>Estimate</u></b>	<b><u>Recent-</u> <u>Mover</u> <u>Adjustment</u> <u>Factor</u></b>	<b><u>Annual</u> <u>2017 to</u> <u>2018 CPI</u> <u>Adjustment</u></b>	<b><u>Trending</u> <u>1.0612</u> <u>to</u> <u>FY2020</u></b>	<b>FY 2020 2-Bedroom FMR</b>
Kittitas County, WA	\$837	1.0997	1.0339	1.0612	\$837 * 1.100 * 1.0339 * 1.0612=\$1,010

7. In keeping with HUD policy, the preliminary FY 2020 FMR is checked to ensure that it does not fall below the state minimum.

<b>Area</b>	<b>Preliminary FY2020 2-Bedroom FMR</b>	<b>FY 2020 Washington State Minimum</b>	<b>Final FY2020 2-Bedroom FMR</b>
Kittitas County, WA	\$1,010	<u>\$714</u>	\$1,010 ≥ \$714 Use Kittitas County, WA FMR of \$1,010

8. Bedroom ratios are applied to calculate FMRs for unit sizes other than two bedrooms.

Click on the links in the table to see how the bedroom ratios are calculated.

<b>FY 2020 FMRs By Unit Bedrooms</b>					
	<b><u>Efficiency</u></b>	<b><u>One- Bedroom</u></b>	<b><u>Two- Bedroom</u></b>	<b><u>Three- Bedroom</u></b>	<b><u>Four- Bedroom</u></b>
FY 2020 FMR	\$658	\$767	\$1,010	\$1,457	\$1,773

9. The FY2020 FMR must not be below 90% of the FY2019 FMR.

	<b>Efficiency</b>	<b>One- Bedroom</b>	<b>Two- Bedroom</b>	<b>Three- Bedroom</b>	<b>Four- Bedroom</b>
FY2019 FMR	\$610	\$718	\$950	\$1,374	\$1,669
FY2019 floor	\$549	\$646	\$855	\$1,237	\$1,502

FY 2020 FMR	\$658	\$767	\$1,010	\$1,457	\$1,773
Use FY2019 floor for FY2020?	No	No	No	No	No

**Final FY2020 Rents for All Bedroom Sizes for Kittitas County, WA**

The following table shows the Final FY 2020 FMRs by bedroom sizes.

<b>Final FY 2020 FMRs By Unit Bedrooms</b>					
	<b>Efficiency</b>	<b>One-Bedroom</b>	<b>Two-Bedroom</b>	<b>Three-Bedroom</b>	<b>Four-Bedroom</b>
Final FY 2020 FMR	\$658	\$767	\$1,010	\$1,457	\$1,773

The FMRs for unit sizes larger than four bedrooms are calculated by adding 15 percent to the four bedroom FMR, for each extra bedroom. For example, the FMR for a five bedroom unit is 1.15 times the four bedroom FMR, and the FMR for a six bedroom unit is 1.30 times the four bedroom FMR. FMRs for single-room occupancy units are 0.75 times the zero bedroom (efficiency) FMR.

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**Select a different area**

Press below to select a different county within the same state (same primary state for metropolitan areas):

Adams County, WA	^
Asotin County, WA	
Benton County, WA	
Chelan County, WA	
Clallam County, WA	∨

Select a new county

Press below to select a different state:

Select a new state