

PAYMENT STANDARDS DEFINITION

The amount of rental assistance each family is eligible to receive is based on a payment standard (maximum subsidy based on family size/composition) less the higher of 30% of the family's monthly adjusted gross income or 10% of the family's monthly gross income.

The family's share of rent plus utilities is determined by a formula affected by the payment standard, the gross rent (rent to owner plus utilities paid by the tenant) and the family's income. New families to the program or a family who is moving to a new unit cannot pay more than 40% of their monthly adjusted income towards the gross rent if the gross rent is above the payment standard.

If the family chooses a unit for which the gross rent is at or less than the family's payment standard, the family's share of the gross rent will be the "minimum rent" payment of the higher of 30% of monthly adjusted income or 10% of monthly gross income. If the gross rent is above the payment standard, the family will pay the "minimum rent" payment plus the amount above the payment standard.