



Changes to Rent Calculation Due to Reduced Federal Funding

8.12.2025 Resident Advisory Council



Overview

KCHA's goal is to keep people housed

- 🏠 KCHA uses federal funding to provide affordable housing to **more than 17,000 households**
- 🏠 **Federal funding does not cover the full cost** of housing assistance for everybody
 - HUD is ending funding for Emergency Housing Vouchers (EHV) households
 - At KCHA, this is 650 households, at a cost of about \$17 million each year
 - Additional funding cuts likely in HUD's budget for FY2026
- 🏠 KCHA is **raising the Total Tenant Payment (TTP)** calculation from about 28% to about 31%
 - Aligns with local and national standards for housing authorities
 - Generates roughly \$7 million, using limited resources to keep as many families as possible housed
 - Helps keep people with Emergency Housing Vouchers housed

Emergency Housing Vouchers (EHVs)

- Special vouchers for people experiencing homelessness
- KCHA among most successful housing authorities in the country in leasing up EHVs
- Currently housing 650 households through EHVs
 - Annual cost to KCHA ~ \$17 million
- Federal funding for the national EHV program was supposed to last through 2030
- HUD announced that federal funding will run out nationally in 2026 and no additional funding will be provided
 - HUD said rising rent costs plus high utilization led to the shortfall, but did not provide details



Goal: Keeping People Housed

To help close gaps in its federal funding, KCHA is pursuing multiple strategies:

- Advocating for fair funding levels for affordable housing programs
- Reducing operating costs
- Deferring construction & capital projects
- Keeping the Housing Choice Voucher waitlist closed and not reissuing vouchers after attrition
- Holding awards of new Project-Based Vouchers to newly planned developments
- Increasing non-federal revenues (such as rents in KCHA's workforce housing)
- Increasing tenant share of housing costs (TTP)

Planned Changes to Total Tenant Payment (TTP)

🏠 “EASY Rent”

Total Tenant Payment

28% → 30.7%

🏠 “WIN Rent”

Total Tenant Payment

up to

28.3% → 31%

based on income bands

*Tenant Rent (paid to landlord) =
Total Tenant Payment minus Energy Assistance Supplement*

Example – EASY Rent Household

EASY Rent is designed for elderly or disabled households on fixed incomes. Total Tenant Payment is calculated as a percentage of monthly income.

	Current	Planned
Gross Annual Income:	\$13,600	\$13,600
Total Tenant Payment:	\$317	\$348
- Utility Allowance:	\$(71)	\$(71)
Tenant Rent:	\$246	\$277

With medical deduction

	Current	Planned
Gross Annual Income:	\$13,600	\$13,600
- Medical Deduction	\$(5,000)	\$(5,000)
Adjusted Income	\$8,600	\$8,600
Total Tenant Payment:	\$201	\$220
- Utility Allowance:	\$(71)	\$(71)
Tenant Rent:	\$130	\$149



Example – WIN Rent Household

WIN Rent is designed for households that are not on fixed incomes and allows households to maintain their rent levels if their income increases between income reviews (every 2 years). Total Tenant Payment is based on an Income Band Chart rather than a direct percentage of income.

	Current	Planned
Gross Annual Income:	\$28,500	\$28,500
Total Tenant Payment:	\$590	\$646
- Utility Allowance:	- \$144	- \$144
Tenant Rent:	\$446	\$502

With childcare deduction

	Current	Planned
Gross Annual Income:	\$28,500	\$28,500
- Childcare Deduction	- \$7,500	- \$7,500
Adjusted Income	\$21,000	\$21,000
Total Tenant Payment:	\$472	\$517
- Utility Allowance:	- \$144	- \$144
Tenant Rent:	\$328	\$373



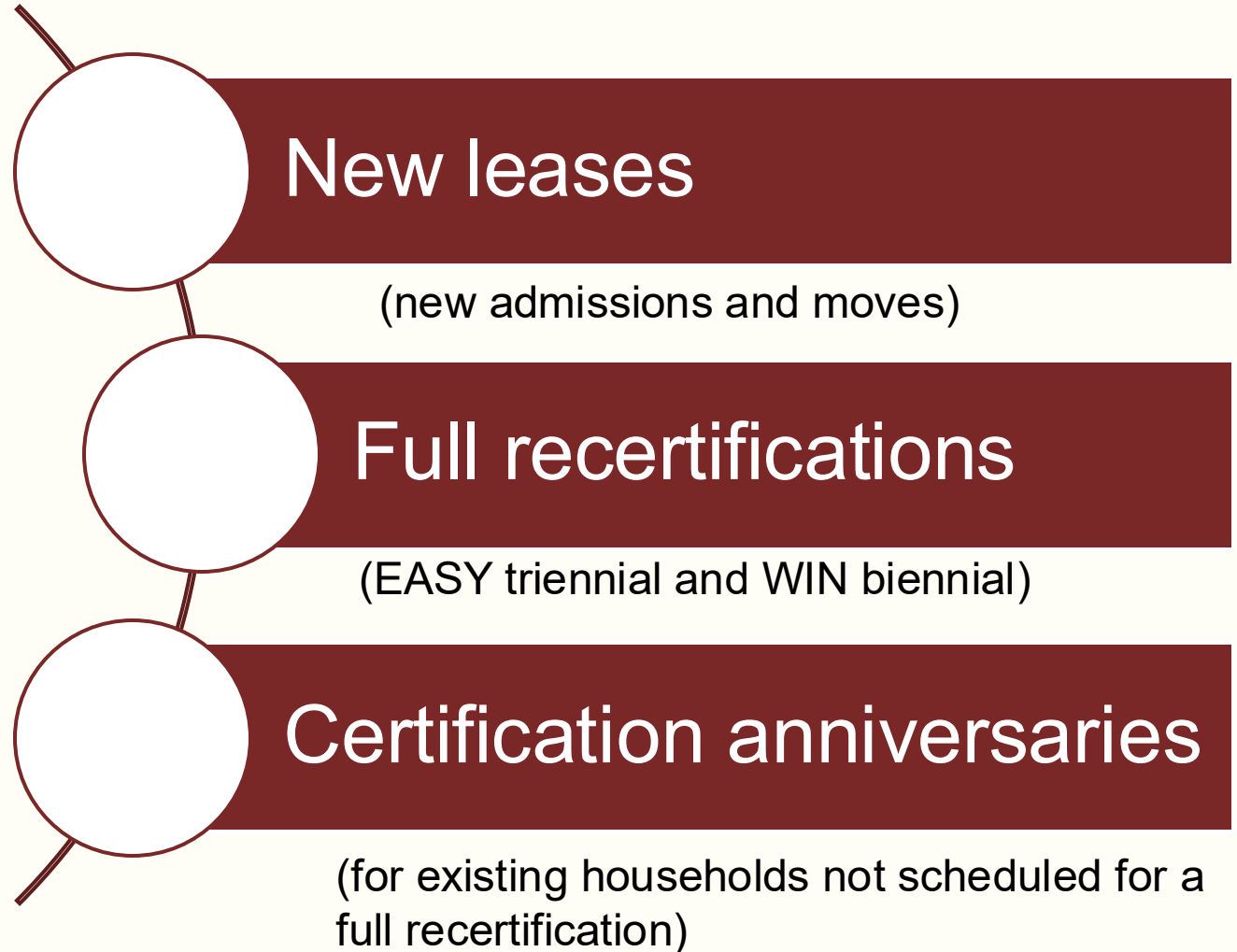
Impacts

- 🏠 Average monthly Total Tenant Payment change:
 - EASY \$25
 - WIN \$42
- 🏠 Ongoing tenant supports:
 - Hardship provisions remain
 - Resource information and referral through Resident Services
- 🏠 Estimated \$7 million per year toward keeping as many people housed for as long as possible
 - Increases housing stability for up to 650 families with Emergency Housing Vouchers

When will increases take effect?

All households will
transition to the
new TTP in 2026

(No sooner than
January 1, 2026)



What's Next

2025

- August - September: Tenant notice of planned changes and opportunity to comment (8/13 to 9/12).
- September 15: Board action on planned changes.
- November: Households with certifications or anniversaries effective 1/1/2026 receive notice of their new rent, incorporating new Total Tenant Payment in rent calculation.

2026

- January: First TTP calculation changes effective.
- December: TTP calculation changes complete for all households. Projected end of EHV funding.