**LOUISVILLE METRO**

**HOUSING AUTHORITY (LMHA)**

**ADMISSIONS AND CONTINUED OCCUPANCY POLICY**

**(ACOP)**

**The LMHA is proposing changes to the following sections:**

**Section 13.4:** The Flat Rent

**Glossary:** Definition of “Flat Rent”

**Appendix D:** Flat Rent Schedule

Public comment welcome from June 2, 2014 – July 1, 2014

##

## 13.4 The Flat Rent

The LMHA has set a flat rent for each public housing unit. Per HUD mandate, in Calendar Year 2014, minimum flat rents will be set at 80% of the Fair Market Rent (FMR) as established by HUD for the Housing Authority’s area. Further adjustments will be made for tenant-paid utilities. Any increase in the amount of rent paid by the family caused by an increase of the flat rent required by HUD shall be limited to 35% of the existing flat rent per year unless state or local law requires a lesser increase.

In subsequent years, the LMHA is required by HUD to conduct a market study based on the Rent Reasonableness methodology. In doing so, the Housing Authority will consider the size and type of the unit, as well as its age, condition, amenities, services, and neighborhood as compared to similar units in the private, unassisted rental market.

If the flat rent as determined by the Rent Reasonableness study is greater than 80% of the FMR, the LMHA must set the flat rents at the amounts determined by the Rent Reasonableness study, subject to utility adjustments. If the flat rent as determined by the Rent Reasonableness study is less than or equal to 80% of FMR, the Housing Authority must set the flat rents at no less than 80% of the local FMR, subject to utility adjustments. Again, any increase in the amount of rent a family pays caused by an increase in the amount of the flat rent required by HUD shall be limited to 35% of the existing flat rent per year unless state or local law requires a lesser increase.

Upon issuance of new FMRs by HUD, the LMHA must determine if the current flat rents are at least 80% of the new FMR, and update the flat rent amounts if necessary to meet the 80% requirement within 90 days of HUD publishing new FMRs. The Housing Authority will tie the timing of the required Rent Reasonableness study to the annual issuance of FMRs to avoid possible duplication of flat rent adjustments.

The LMHA will post the flat rent schedule at each of its public housing developments and at the central office.

Affected families will be given a 30-day notice of any rent change. Adjustments are applied at the end of the annual lease (for more information on flat rents, see Section 15.3).

There is no utility allowance for families paying a flat rent because the LMHA has already factored the cost of utilities into the flat rent calculation.

# GLOSSARY

**Flat Rent:** A rent amount the family may choose to pay in lieu of having their rent determined under the income method. The flat rent is established by the housing authority based on a HUD mandate that it be set at not less than 80% of the FMR, adjusted for tenant-paid utilities. PHAs have the flexibility to conduct reexaminations of family income once every three years instead of annually for families that choose to pay the flat rent. The flat rent amount a family pays is not locked in for the three-year period. Instead, the PHA must revise the flat rent amount from year to year based on the findings of the PHA’s rent reasonableness analysis and changes to the FMR.

# APPENDIX D: Flat Rent Schedule

**Louisville Metro Housing Authority Flat Rent Schedule**

*Rents Effective October 1, 2014*

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| **Public Housing Developments Where Families Pay for Their Own Utilities** |
| **Development** | **Unit Type** | **Number of Bedrooms** | **Flat Rent** |
| Clarksdale HOPE VI Scattered Site Homes | Single-Family | 3 | $571 |
| Family Scholar House | Apartment | 2 | $450 |
| 3 | $644 |
| Liberty Green | Apartment | 0 | $313 |
| 1 | $359 |
| 2 | $449 |
| House | 3 | $640 |
| 4 | $712 |
| Townhouse | 2 | $448 |
| 3 | $644 |
| Park DuValle & The Oaks | Apartment | 1 | $366 |
| 2 | $457 |
| 3 | $657 |
| House | 3 | $651 |
| 4 | $725 |
| Townhouse | 2 | $456 |
| 3 | $655 |
| 4 | $730 |
| Sheppard Square | Apartment | 2 | $457 |
| Townhouse | 3 | $644 |
| Stephen Foster | Apartment | 1 | $359 |

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| --- |
| **All Other Public Housing Developments (LMHA Pays Utility Bills on Family’s Behalf)** |
| **Number of Bedrooms** | **Flat Rent** |
| 0 | $388 |
| 1 | $454 |
| 2 | $564 |
| 3 | $781 |
| 4 | $883 |