



PUBLIC NOTICE – REVIEW AND COMMENT

2015 FLAT RENT SCHEDULE

The Knox County Housing Authority is required by Federal Regulations to establish a Flat Rent Schedule for all public housing units and to allow public housing tenants to choose between paying the Flat Rent amount or a rent determined by formula based upon the family's income. On May 19, 2014, the U. S. Department of Housing and Urban Development (HUD) issued Notice PIH 2014-12 implementing changes to Flat Rent Requirements and clarifying HUD's interpretation of provisions of the Consolidated Appropriations Act of 2014 relating to public housing flat rents. This clarifying interpretation required that KCHA make amendments to its flat rent schedule, and also required amendment of the 2014 Annual Plan to reflect these changes.

The Flat Rent schedule, as amended and effective 11/01/2014, is listed as follows:

	Current Flat Rent	Flat Rent 11/01/2014	\$ Increase/Decrease	% Increase/Decrease
0BR	\$ 242.00	\$ 267.00	\$ 25.00	10%
1BR	\$ 314.00	\$ 340.00	\$ 26.00	8%
2BR (HR)	\$ 374.00	\$ 467.00	\$ 93.00	25%
2BR (FAM)	\$ 413.00	\$ 340.00	\$ (73.00)	-18%
3BR	\$ 474.00	\$ 434.00	\$ (40.00)	-8%
4BR	\$ 514.00	\$ 680.00	\$ 166.00	32%
5BR	\$ 591.00	\$ 797.00	\$ 206.00	35%

Based on 2015 Fair Market Rent Rates published by the Department of Housing and Urban Development

The Knox County Housing Authority's Admissions and Continued Occupancy Policy (ACOP) and the Annual Plan are available at each administrative office as well as the agency website. Written comments on the proposed revisions to the KCHA Flat Rent Schedule, Annual Plan Amendment, and ACOP will be accepted via USPS Mail, email, fax, or hand delivery. All comments are due no later than Friday, 10/31/2014 at 4:30 PM. Address all comments to:

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13.4 THE FLAT RENT

The KCHA has set a flat rent for each public housing unit per the requirements set forth the 2014 Appropriations Act (the Act) and subsequent guidance issued from the Department of Housing and Urban Development in PIH Notice 2014-12. In doing so, a complete rental study was conducted and considered the size and type of the unit, as well as its condition, amenities, services, and neighborhood. The KCHA determined the market value of the unit as required by the Act. The KCHA has reviewed the most current published Fair Market Rent (FMR) rates and has applied an 80% standard. KCHA flat rents will be established at a schedule of 80% of FMR rates for each unit size.

The amount of the flat rent will be reevaluated annually and adjustments applied. Affected families will be given a 30-day notice of any rent change. Adjustments are applied on the anniversary date for each affected family (for more information on flat rents, see Section 15.3).

The KCHA will post the flat rents at each of the developments and at the central office and are incorporated in this policy upon approval by the Board of Commissioners.

13.5 not in use

13.6 RENT FOR FAMILIES UNDER THE NONCITIZEN RULE

A mixed family will receive full continuation of assistance if all of the following conditions are met:

- A. The family was receiving assistance on June 19, 1995;
- B. The family was granted continuation of assistance before November 29, 1996;
- C. The family's head or spouse has eligible immigration status; and
- D. The family does not include any person who does not have eligible status other than the head of household, the spouse of the head of household, any parent of the head or spouse, or any child (under the age of 18) of the head or spouse.

If a mixed family qualifies for prorated assistance but decides not to accept it, or if the family has no eligible members, the family may be eligible for temporary deferral of termination of assistance to permit the family additional time for the orderly transition of some or all of its members to locate other affordable housing. Under this provision, the family receives full assistance. If assistance is granted under this provision prior to November 29, 1996, it may last no longer than three (3) years. If granted after that date, the maximum period of time for assistance under the provision is eighteen (18) months. The KCHA will grant each family a period of six (6) months to find suitable affordable housing. If the family cannot find suitable affordable housing, the KCHA will provide additional search periods up to the maximum time allowable.

Moon Towers

	Current	FMR	80% FMR	+/-	%	35% +	+/-	UA	FMR-UA	Proposed	+/-	%
0BR	\$ 242.00	\$ 375.00	\$ 300.00	\$ 58.00	24%	\$ 326.70	\$ 84.70	\$ 33.00	\$ 267.00	\$ 271.00	\$ 29.00	12%
1BR	\$ 314.00	\$ 466.00	\$ 372.80	\$ 58.80	19%	\$ 423.90	\$ 109.90	\$ 33.00	\$ 339.80	\$ 344.00	\$ 30.00	10%
2BR	\$ 374.00	\$ 631.00	\$ 504.80	\$ 130.80	35%	\$ 504.90	\$ 130.90	\$ 38.00	\$ 466.80	\$ 472.00	\$ 98.00	26%

Family Sites

	Current	FMR	80% FMR	+/-	%	35% +	+/-	UA	FMR-UA	Proposed	+/-	%
2BR	\$ 413.00	\$ 631.00	\$ 504.80	\$ 91.80	22%	\$ 557.55	\$ 144.55	\$ 165.00	\$ 339.80	\$ 345.00	\$ (68.00)	-16%
3BR	\$ 474.00	\$ 786.00	\$ 628.80	\$ 154.80	33%	\$ 639.90	\$ 165.90	\$ 195.00	\$ 433.80	\$ 440.00	\$ (34.00)	-7%
4BR	\$ 514.00	\$ 1,118.00	\$ 894.40	\$ 380.40	74%	\$ 693.90	\$ 179.90	\$ 215.00	\$ 679.40	\$ 688.00	\$ 174.00	34%
5BR	\$ 591.00	\$ 1,397.00	\$ 1,117.60	\$ 526.60	89%	\$ 797.85	\$ 206.85	\$ 242.00	\$ 875.60	\$ 796.00	\$ 205.00	35%

Bluebell Tower

	Current	FMR	80% FMR	+/-	%	35% +	+/-	UA	FMR-UA	Proposed	+/-	%
1BR	\$ 314.00	\$ 466.00	\$ 372.80	\$ 58.80	19%	\$ 423.90	\$ 109.90	\$ 33.00	\$ 339.80	\$ 344.00	\$ 30.00	10%
2BR	\$ 544.00	\$ 631.00	\$ 504.80	\$ (39.20)	-7%	\$ 734.40	\$ 190.40	\$ 38.00	\$ 466.80	\$ 472.00	\$ (72.00)	-13%

	Current	10/31/2014	+/-	%
0BR	\$ 242.00	\$ 267.00	\$ 25.00	10%
1BR	\$ 314.00	\$ 340.00	\$ 26.00	8%
2BR (HR)	\$ 374.00	\$ 467.00	\$ 93.00	25%
2BR (FAM)	\$ 413.00	\$ 340.00	\$ (73.00)	-18%
3BR	\$ 474.00	\$ 434.00	\$ (40.00)	-8%
4BR	\$ 514.00	\$ 680.00	\$ 166.00	32%
5BR	\$ 591.00	\$ 797.00	\$ 206.00	35%

**IL085 KNOX COUNTY HOUSING AUTHORITY
FY 04/01/2014 – 03/31/2015 ANNUAL PLAN SUBMISSION
SIGNIFICANT AMENDMENT 1.0
CHANGES TO THE FLAT RENT SCHEDULE**

1. The Knox County Housing Authority hereby amends its flat rent policies to comply with the statutory changes contained within, Public Law 113 – 76, the Fiscal Year 2014 Appropriation Act.

The Knox County Housing Authority will set the flat rental amount for each public housing unit that complies with the requirement that all flat rents be set at no less than 80 percent of the applicable Fair Market Rent (FMR) adjusted, if necessary, to account for reasonable utilities costs. The new flat rental amount will apply to all new program admissions effective 11/01/2014. For current program participants that pay the flat rental amount, the new flat rental amount will be offered, as well as the income-based rental amount, at the next annual rental option.

The Knox County Housing Authority will place a cap on any increase in a family's rental payment that exceeds 35 percent, and is a result of changes to the flat rental amount as follows:

- Multiply the existing flat rental payment by 1.35 and compare that to the updated flat rental amount;
- The PHA will present two rent options to the family as follows:
 - The lower of the product of the calculation and the updated flat rental amount;
 - The income-based rent.

IL085 KNOX COUNTY HOUSING AUTHORITY
FY 04/01/2014 – 03/31/2015 ANNUAL PLAN SUBMISSION
ATTACHMENT 2.0
HUD-50075 Section 6.0 – PHA Plan Update

- A. Identify all PHA Plan Elements that have been revised by the PHA since its last Annual Plan submission:

	Plan Element	Specific Change		
1.	Eligibility, Selection and Admission Policies, including Deconcentration and Wait List Procedures	No Change		
2.	Financial Resources (in millions)	PH Operating Fund: 2013 Capital Fund: S8 Annual Contributions: ROSS Grant: GCF Grant: PH Rental Income: PH Investments: Section 8 Investments: Other Income: Total Financial Resources:	 \$1.044 \$0.585 \$1.085 \$0.106 \$0.010 \$0.665 \$0.618 \$0.248 \$0.009 \$4.370	PH Operations Modernization Rental Assistance Resident Services Resident Services PH Operations PH Operations S8 Operations PH Operations
3.	Rent Determination: Flat Rents charged per the following schedule (80% FMR with adjustments for paid utilities.) AMENDED 09/30/2014	<u>Apartment Size</u> Moon Towers – 0BR Moon Towers – 1BR Moon Towers – 2 BR Family Sites – 2BR Family Sites – 3BR Family Sites – 4BR Family Sites – 5BR Bluebell Tower – 1BR Bluebell Tower – 2BR	<u>Fair Market</u> \$375.00 \$466.00 \$631.00 \$631.00 \$786.00 \$1,118.00 \$1,397.00 \$466.00 \$631.00	<u>KCHA Flat Rent</u> \$267.00 \$340.00 \$467.00 \$340.00 \$434.00 \$680.00 \$797.00 \$340.00 \$467.00
4.	Operations and Management	No Change		
5.	Grievance Procedures	No Change		
6.	Designated Housing – Elderly/Disabled	No Change		
7.	Community Service and Self-Sufficiency	No Change		

8.	Safety and Crime Prevention	No Change
9.	Pets	No Change
10.	Civil Rights Certification	No Change
11.	Fiscal Year Audit	FYE 2013 Audit revealed one finding – tenant accounts receivable was too high. KCHA has taken corrective action to write-off outstanding uncollectible debts, and have instituted a quarterly write-off schedule.
12.	Asset Management	No Change
13.	Violence Against Women Act (VAWA)	No Change

B. Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan.

- Central Office Cost Center – 216 W. Simmons St. Galesburg, IL 61401
- Moon Towers – 255 W. Tompkins St. Galesburg, IL 61401
- Family Housing – 480 Iowa Ave. Galesburg, IL 61401
- Bluebell Tower – 300 N. Jefferson St. Abingdon, IL 61410
- Agency website: www.knoxcountyhousing.org