



POSTING PERIOD

July 01, 2016

through

July 31, 2016

Review and Comment Utility Allowances and Flat Rent Schedule Effective 08-01-2016

Moon Towers

	<u>Current</u>	<u>Proposed</u>
0-BR:	\$274.00	\$268.00
1-BR:	\$338.00	\$333.00
2-BR:	\$462.00	\$455.00

Family Sites

	<u>Current</u>	<u>Proposed</u>
2-BR:	\$364.00	\$361.00
3-BR:	\$467.00	\$464.00
4-BR:	\$516.00	\$513.00
5-BR:	\$605.00	\$600.00

Bluebell Tower

	<u>Current</u>	<u>Proposed</u>
1-BR:	\$338.00	\$332.00
2-BR:	\$462.00	\$455.00

Please submit all questions or comments regarding the changes in rent to us in writing to:

Knox County Housing Authority
Flat Rent Review and Comment
Attn: Derek Antoine
216 W. Simmons St.
Galesburg, IL 61401

Phone: 309.342.8129 Ext. 223
Fax: 309.342.7206
E-mail: dantoine@knoxhousing.org

The Knox County Housing Authority has proposed changes to its Flat Rent Schedule, effective 08-01-2016. Notices PIH 2014-12 and 2015-13 clarify Fair Market Rents (FMRs) are gross rent estimates that cover the shelter rent plus the cost of all necessary utilities regardless of who actually pays the utilities. Although the inclusion of utilities in the FMR is an accurate estimate of the cost of renting a unit in a particular area, their inclusion for purposes of setting Public Housing flat rents may lead to families paying more in gross rent if the shelter rent is not adjusted to reflect utility payments. Specifically, families that pay a flat rent for public housing units and that pay their own utilities would pay more in gross rent (i.e., shelter rent plus utilities) than a family in a similarly situated unit where the PHA pays the utilities.

To address this issue when establishing flat rents, PHAs must consider who is responsible for direct utility payments to the utility company, and adjust the flat rent accordingly. In the case the family is responsible for making direct utility payments to the utility company, the PHA must adjust the flat rent amount downward, using a utility allowance, to account for reasonable utility costs of an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

The proposed changes reflect the adjustments to the Knox County Housing Authority Utility Allowance which shall be adopted on 07/26/2016. Per PIH Notice 2014-12, PHAs are allowed to deduct a reasonable utility allowance from established flat rents in situations where the tenant has the responsibility to pay for utilities.