

Resident's of Robersonville Housing Authority please note the following Policy Change. **No current Resident of RHA will be affected by this change.** The Policy will be addressed in the July 1 Public Hearing and will be adopted as required by law at the next Board of Commissioners Meeting.

**U.S. Department of Housing and Urban Development
Office of Public and Indian Housing**

Special Attention: NOTICE PIH 2014-12 (HA)

Public Housing Agencies (PHA)

Issued: May 19, 2014

Expires: Effective until amended,

Cross References: 24 CFR Part 960 and 24 CFR Part 903.

Subject: Changes to Flat Rent Requirements – 2014 Appropriations Act

1. PURPOSE

This notice implements Sections 210 and 243 of Title II of P.L 113-76, the Consolidated Appropriations Act of 2014. Specifically, this guidance clarifies HUD's interpretation of the statutory amendment related to flat rents and the requirement that PHAs comply with the amendments by June 1, 2014.

This notice serves as interim guidance. Section 243 requires HUD to commence rulemaking no later than six months after this notice is issued. The policy will be finalized through the rulemaking and public comment procedures. At that time, the Department will be very interested in feedback from PHAs and other stakeholders about how best to implement the policies. HUD is particularly interested in the burden created by the new policies, impact on PHA budgets, and impact on residents.

2. APPLICABILITY, BACKGROUND, AND HUD INTERPRETATION OF NEW STATUTORY REQUIREMENTS

This notice applies to PHAs that operate a public housing program. It also applies to families residing in, or applicants to the public housing program.

Currently, PHAs are required to establish flat rents based on the market rent of comparable units in the private, unassisted rental market. Paragraph (2)(B)(i) of Section 3(a) of the United States Housing Act of 1937 (the Act), as amended by Section 210, establishes new parameters that PHAs must use when determining the flat rent amounts. Specifically, flat rents must now be:

set at no less than 80 percent of the applicable Fair Market Rent (FMR);

PHAs shall comply with the new flat rent requirements by June 1, 2014. The Department will consider PHAs to be in compliance with the new requirements if non-qualified agencies have initiated the process to amend their PHA Annual Plan, and qualified agencies have initiated the public hearing process by no later than June 1, 2014. PHAs should begin applying the new flat rent schedules to households they are recertifying and new applicants by October 31, 2014.

THE FLAT RENT

The Robersonville Housing Authority has set a flat rent for each public housing unit. Per HUD mandate, in 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. In no event shall the flat rent be less than 80% of the local FMR established by HUD.

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