

Appendix A  
Flat Rent Significant Amendment

The Valdese 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 Valdese 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 October 1, 2015. 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 Valdese 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; and
  - the income - based rent.