



## Legislation Details (With Text)

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**Attachments:** 1. PIH Notice 2014-12 Flat Rents.pdf

Date	Ver.	Action By	Action	Result
8/27/2014	1	Housing Commission	Approved by the Commission	Pass

Resolution to Approve an Amendment to the Public Housing ACOP regarding Flat Rents  
In January 2014, Congress adopted the Consolidated Appropriations Act of 2014. Sections 210 and 243 of Title II of P.L 113-76 included mandatory changes to Flat Rents that had to be implemented by June 1<sup>st</sup>, 2014. This change required all Flat rents to be set at no less than 80% of the Fair Market Rent rates.

The AAHC had proactively made changes to its Flat Rent rates in the Annual Plan published in March 2014 and adopted by the AAHC Board in April 2014, to take effect by June 1, 2014 in order to meet the June 1, 2014 deadline. However, HUD did not issue the details regarding how to implement the changes until May 19<sup>th</sup> when it published PIH Notice 2014-12, an interim implementation notice.

There was only one additional change to the Admissions and Continued Occupancy Plan (ACOP) that was not included in the Annual Plan that is part of this resolution, based on PIH Notice 2014-12.

There are less than five families impacted by the change in Flat Rents.

Prepared and Approved by: Jennifer Hall, Executive Director

WHEREAS, In January 2014, Congress adopted the Consolidated Appropriations Act of 2014. Sections 210 and 243 of Title II of P.L 113-76 included mandatory changes to Flat Rents that had to be implemented by June 1<sup>st</sup>, 2014; and

WHEREAS, The AAHC had proactively made changes to its Flat Rent rates in the Annual Plan published in March 2014 and adopted by the AAHC Board in April 2014, to take effect by June 1, 2014 in order to meet the June 1, 2014 deadline; and

WHEREAS, HUD did not issue the details regarding how to implement the changes until May 19<sup>th</sup> when it published PIH Notice 2014-12, an interim implementation notice.

WHEREAS, the AAHC's Admissions and Continued Occupancy Plan (ACOP) needs to

include language that states that flat rents do include utility allowances similarly to income-based rent, which was a change from the previous flat rent formula:

OLD LANGUAGE: There is no utility allowance or reimbursement with flat rents. When the family elects to pay the flat rent, the flat rent amount quoted to the family by the PHA is the amount the family pays. Changes in family income, expenses, or composition will not affect the flat rent amount because it is outside the income-based formula.

NEW LANGUAGE: *Flat rents set at no less than 80 percent of the applicable FMR will be adjusted, if applicable, to account for reasonable utilities costs paid for by the resident.*

NOW THEREFORE BE IT RESOLVED THAT, that the Ann Arbor Housing Commission Board approves and amendment to the Admissions and Continued Occupancy Plan (ACOP) to include the language above regarding Flat Rents to take effect June 1, 2014.