

RESOLUTION NO. \_\_\_\_\_

**APPROVAL OF NEW FLAT RENT SCHEDULE FOR  
LMHA PUBLIC HOUSING DEVELOPMENTS**

**Item No. 5A**

WHEREAS, federal statute requires that Public Housing Program administrators establish flat rents that are equal to no less than eighty (80) percent of the jurisdiction's Fair Market Rents by bedroom size; and

WHEREAS, the Louisville Metro Housing Authority is required to increase its public housing flat rents in response to increases to the jurisdiction's Fair Market Rents; and

WHEREAS, the U.S. Department of Housing and Urban Development published increased Fair Market Rents for the Louisville, KY-IN metropolitan area that became effective on October 1, 2022; and

WHEREAS, the October 1, 2022 increases to Fair Market Rents caused the flat rents for LMHA public housing developments to fall below the established minimum threshold.

NOW, THEREFORE, BE IT RESOLVED BY THE LOUISVILLE METRO HOUSING AUTHORITY BOARD OF COMMISSIONERS that the public housing flat rent schedule for public housing developments is approved.

## RESOLUTION BACKGROUND STATEMENT

### APPROVAL OF NEW FLAT RENT SCHEDULE FOR LMHA PUBLIC HOUSING DEVELOPMENTS

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#### I. STATEMENT OF FACTS:

The U.S. Department of Housing and Urban Development (HUD) Appropriations Act of 2014 included a provision requiring agencies administering Public Housing Programs to establish flat rents that are equal to no less than 80% of the jurisdiction's HUD-determined Fair Market Rents by bedroom size. Agencies are required to increase their public housing flat rents as necessary to respond to published increases to the jurisdiction's Fair Market Rents. Annually, LMHA residents choose between income-based rent (30% of total family income) or Flat Rent.

On October 1, 2022, increased Fair Market Rents for the Louisville, KY-IN metropolitan area became effective, which caused the flat rents for the Louisville Metro Housing Authority's (LMHA) public housing developments to fall below HUD's established minimum threshold. Therefore, the Housing Authority is required by statute to increase its public housing flat rents.

Effective January 1, 2023, LMHA will raise its public housing flat rents to the minimum amounts required by HUD (80% of Fair Market Rents), as follows:

<b>Number of Bedrooms</b>	<b>Flat Rents (Effective Jan 1, 2021)</b>	<b>Flat Rents (Effective Jan 1, 2023)</b>
0	\$519	\$621
1	\$608	\$701
2	\$734	\$842
3	\$983	\$1,116
4	\$1,126	\$1,282

Flat rents will be adjusted by the applicable utility allowance at developments where residents pay utility expenses.

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#### II. ALTERNATIVES:

- A. Approve the revisions to the public housing flat rents.
- B. Do not approve the revisions to the public housing flat rents and establish a flat rent schedule whereby rents are higher than 80% of the Fair Market Rent for each bedroom size.

#### III. RECOMMENDATION:

Staff recommends Alternative "A".

#### IV. JUSTIFICATION:

LMHA is required by federal statute to establish public housing flat rents that are equal to no less than 80% of the HUD-determined Fair Market Rents for the Louisville, KY-IN metropolitan area by bedroom size. LMHA must increase the flat rents charged at its public housing developments to remain compliant with statute.

Submitted by: Eric Proctor, Compliance Manager  
October 18, 2022