Asheville Housing MTW Activity No. 2027-9 – Increase PBV Rent to Owner

Asheville Housing will increase the contract rent-to-owner in all PHA-owned PBV units under our jurisdiction.

PBV rents will be capped at a lesser of either current Success Rate Payment Standards (currently set at 120% of Fair Market Rents per Asheville Housing MTW Activity No. 2023-1) or at the Rent Reasonable Rate established for each individual bedroom-size at each of our developments. These rents will be adjusted with the standard Contract Rent increases conducted annually, usually effective December 1st of each year.

The agency currently covers 100% of utilities for all PBV units, and thus rents that are set at the Payment Standard Rent should have no effect on the assisted tenants within. If the agency were to revise this policy and institute some form of ongoing utility charges that would require the utilization of a utility allowance, the contract rent will be amended to the lesser of the Payment Standard minus the appropriate utility allowance or the Rent Reasonable Rate. Subsequent submissions of the MTW Supplement will include such updates should they be warranted.

This waiver will not apply to PBV units in developments not owned by the agency.

Waiver requested: MTW Activity 9.g. Increase PBV Rent to Owner
Statutory Objective(s): Cost effectiveness
Cost Implications: Increased revenue
Applies to: New admissions and currently assisted households; all family types.
Safe Harbor Waiver Required? No
Impact Analysis or Hardship Policy Required? Yes

Hardship Policy – Increased PBV Rent to Owner

As the Contract Rent will never exceed the current payment standards under this policy, we do not anticipate receiving any hardship requests from currently assisted residents. The agency has identified that for residents currently paying the Contract Rent amount due to Zero HAP status, either for being over-income or terminated from the program with cause, this policy may create an undue burden.

For these families, the agency will offer a one-time hardship. Following the contract rent increase to the new, higher rate, the household may file a written request to be placed at a contract rent equal to 100% Fair Market Rent until the next Contract Rent increase the following December. This will allow these households time to establish themselves with either a greater

amount of monthly income such that the rent based on 120% Payment Standard will be more feasible, or for them to be able to search out other housing options outside of the Project-based development.

Should the Contract Rent be based on Rent Reasonableness rather than Payment Standard, the hardship may still be requested provided that the 100% FMR rent is lower than the newly established Contract Rent. However, should the hardship be utilized and the Payment Standard becomes the basis for the new Contract Rent the following year, the family will not be allowed to request it a second time.