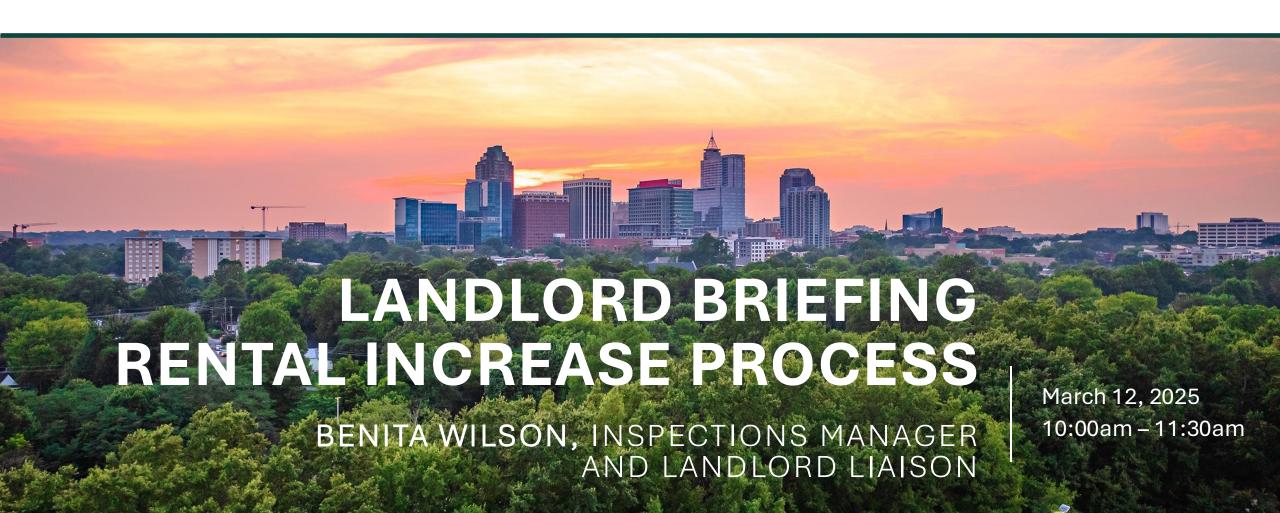


Raleigh Housing Authority



WELCOME VALUED PARTNERS!



On behalf of our CEO, Ashley Lommers-Johnson and our Leased Housing Director, Priscilla Batts:

Welcome to the Leased Housing Department's Landlord Briefing on the Rental Increase Process!

My name is Benita Wilson.

I am the HCV Inspections Manager and Landlord Liaison for the Leased Housing Department, and I will be your briefing facilitator.

GENERAL HOUSEKEEPING



- If you are unable to remain for the entire briefing, the PowerPoint presentation will be made available on our website after the presentation.
- I will attempt to respond to all questions during the live session as time permits, however, if I am unable to do so, please:
 - Type your "general subject" question in the Zoom chat box. Based on questions received, a Q&A page may be included to the end of the presentation posted on the website with any questions answered offline.
- If you have questions that are specific to your property, please submit those directly to me by email at bwilson@rhanc.gov or leave me a message at 919-508-1130.

BRIEFING AGENDA



- Things to Consider Before Requesting an Increase
- How to Submit an Increase Request
- Why is a Rent Reasonable Comparison Required
- Rent Reasonable Comparison to Determine Increase Amount
- RHA Increase Processing time
- Leased Housing Staff Contacts



THINGS TO CONSIDER BEFORE REQUESTING AN INCREASE

THINGS TO CONSIDER BEFORE REQUESTING AN INCREASE



- Review the <u>SAFMR chart for unit ZIP code</u>
- Subtract the UTILITIES from the rent on the SAFMR chart
 - Per HUD, rent is defined as rent for unit including utilities.
 - If the tenant pays all utilities, the increase anticipated may not be realized because there is no expense to the landlord.
 - The increase approved reflects the increased expense incurred by the landlord based on the rental market and unit improvements.

SAFMR SAMPLE



| Raleigh, NC MSA Small Area FMRs By Unit Bedrooms | | | | | | | | |
|--------------------------------------------------|------------|-------------|-------------|---------------|--------------|--|--|--|
| ZIP Code | Efficiency | One-Bedroom | Two-Bedroom | Three-Bedroom | Four-Bedroom | | | |
| 27603 | \$1,380 | \$1,440 | \$1,590 | \$1,980 | \$2,670 | | | |
| 27604 | \$1,490 | \$1,540 | \$1,710 | \$2,130 | \$2,870 | | | |
| <u>27605</u> | \$1,720 | \$1,790 | \$1,980 | \$2,460 | \$3,320 | | | |
| 27606 | \$1,490 | \$1,540 | \$1,710 | \$2,130 | \$2,870 | | | |
| 27607 | \$1,540 | \$1,600 | \$1,770 | \$2,200 | \$2,970 | | | |
| 27608 | \$1,550 | \$1,610 | \$1,780 | \$2,210 | \$2,990 | | | |
| 27609 | \$1,560 | \$1,620 | \$1,790 | \$2,230 | \$3,010 | | | |
| 27610 | \$1,340 | \$1,390 | \$1,540 | \$1,910 | \$2,590 | | | |

UTILITY ALLOWANCE SAMPLE (APARTMENT)



The following allowances are used to determine the total cost of tenant-furnised utilities and appliances.

| Locality/PHA Raleigh Housing Authority, NC | | Unit Type: Multi-Family (Apartment/Row House/Townhouse/Semi-Detached/Duplex) | | | | Date (mm/dd/yyyy) 01/01/2025 | |
|-----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-----------|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| | | | | | | | |
| Natural Gas | \$19.00 | \$22.00 | \$25.00 | \$28.00 | \$31.00 | \$35.00 | |
| Bottle Gas | \$58.00 | \$67.00 | \$73.00 | \$82.00 | \$94.00 | \$103.00 | |
| Electric | \$18.00 | \$21.00 | \$27.00 | \$34.00 | \$40.00 | \$46.00 | |
| Electric Heat Pump | \$16.00 | \$18.00 | \$22.00 | \$25.00 | \$27.00 | \$30.00 | |
| Fuel Oil | \$50.00 | \$61.00 | \$68.00 | \$79.00 | \$86.00 | \$93.00 | |
| Natural Gas | \$3.00 | \$3.00 | \$5.00 | \$6.00 | \$9.00 | \$10.00 | |
| Bottle Gas | \$9.00 | \$9.00 | \$15.00 | \$21.00 | \$27.00 | \$30.00 | |
| Electric | \$7.00 | \$8.00 | \$11.00 | \$14.00 | \$18.00 | \$21.00 | |
| | \$24.00 | \$29.00 | \$40.00 | \$51.00 | \$63.00 | \$74.00 | |
| | \$11.00 | \$13.00 | \$17.00 | \$22.00 | \$27.00 | \$32.00 | |
| Natural Gas | \$6.00 | \$8.00 | \$12.00 | \$15.00 | \$18.00 | \$22.00 | |
| Bottle Gas | \$21.00 | \$24.00 | \$36.00 | \$46.00 | \$58.00 | \$67.00 | |
| Electric | \$16.00 | \$18.00 | \$23.00 | \$28.00 | \$33.00 | \$38.00 | |
| Fuel Oil | \$18.00 | \$21.00 | \$32.00 | \$43.00 | \$54.00 | \$64.00 | |
| | \$25.00 | \$26.00 | \$37.00 | \$47.00 | \$57.00 | \$67.00 | |
| | \$44.00 | \$45.00 | \$55.00 | \$65.00 | \$75.00 | \$85.00 | |
| | \$19.00 | \$19.00 | \$19.00 | \$19.00 | \$19.00 | \$19.00 | |
| Other specify: Electric Charge \$15.02 | | \$15.00 | \$15.00 | \$15.00 | \$15.00 | \$15.00 | |
| Other specify: Natural Gas Charge \$10.73 | | \$11.00 | \$11.00 | \$11.00 | \$11.00 | \$11.00 | |
| Range /Microwave | | \$11.00 | \$11.00 | \$11.00 | \$11.00 | \$11.00 | |
| | \$12.00 | \$12.00 | \$12.00 | \$12.00 | \$12.00 | \$12.00 | |
| | Fuel Type Natural Gas Bottle Gas Electric Electric Heat Pump Fuel Oil Natural Gas Bottle Gas Electric Natural Gas Electric Fuel Oil tric Charge \$15.02 | Fuel Type | Fuel Type | Fuel Type OBR 1 BR 2 BR | Section Sect | Section Sect | |

UTILITY ALLOWANCE SAMPLE (SINGLE FAMILY)



The following allowances are used to determine the total cost of tenant-furnised utilities and appliances.

| Locality/PHA Raleigh Housing Authority, NC | | Unit Type Single-Family (Detached House/Mobile Home) | | | | Date (mm/dd/yyyy) 01/01/2025 | |
|-----------------------------------------------|--------------------|------------------------------------------------------|---------|----------|----------|---------------------------------|----------|
| | | | | | | | |
| Heating | Natural Gas | \$27.00 | \$31.00 | \$36.00 | \$40.00 | \$45.00 | \$49.00 |
| | Bottle Gas | \$79.00 | \$94.00 | \$106.00 | \$119.00 | \$134.00 | \$146.00 |
| | Electric | \$39.00 | \$46.00 | \$53.00 | \$61.00 | \$68.00 | \$75.00 |
| | Electric Heat Pump | \$22.00 | \$26.00 | \$31.00 | \$35.00 | \$39.00 | \$43.00 |
| | Fuel Oil | \$75.00 | \$86.00 | \$96.00 | \$111.00 | \$121.00 | \$132.00 |
| Cooking | Natural Gas | \$3.00 | \$3.00 | \$5.00 | \$6.00 | \$9.00 | \$10.00 |
| | Bottle Gas | \$9.00 | \$9.00 | \$15.00 | \$21.00 | \$27.00 | \$30.00 |
| | Electric | \$7.00 | \$8.00 | \$11.00 | \$14.00 | \$18.00 | \$21.00 |
| Other Electric | | \$36.00 | \$42.00 | \$59.00 | \$75.00 | \$92.00 | \$109.00 |
| Air Conditioning | | \$8.00 | \$10.00 | \$22.00 | \$34.00 | \$46.00 | \$58.00 |
| Water Heating | Natural Gas | \$9.00 | \$10.00 | \$14.00 | \$18.00 | \$23.00 | \$28.00 |
| | Bottle Gas | \$27.00 | \$30.00 | \$43.00 | \$58.00 | \$70.00 | \$85.00 |
| | Electric | \$19.00 | \$23.00 | \$29.00 | \$36.00 | \$42.00 | \$48.00 |
| | Fuel Oil | \$25.00 | \$29.00 | \$39.00 | \$54.00 | \$64.00 | \$79.00 |
| Water | | \$25.00 | \$26.00 | \$37.00 | \$47.00 | \$57.00 | \$67.00 |
| Sewer | | \$44.00 | \$45.00 | \$55.00 | \$65.00 | \$75.00 | \$85.00 |
| Trash Collection | 1 | \$19.00 | \$19.00 | \$19.00 | \$19.00 | \$19.00 | \$19.00 |
| Other specify: Electric Charge \$15.02 | | \$15.00 | \$15.00 | \$15.00 | \$15.00 | \$15.00 | \$15.00 |
| Other specify: Natural Gas Charge \$10.73 | | \$11.00 | \$11.00 | \$11.00 | \$11.00 | \$11.00 | \$11.00 |
| Range /Microwave | | \$11.00 | \$11.00 | \$11.00 | \$11.00 | \$11.00 | \$11.00 |
| Refrigerator | | \$12.00 | \$12.00 | \$12.00 | \$12.00 | \$12.00 | \$12.00 |



HOW TO SUBMIT AN INCREASE REQUEST

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THERE IS NO LONGER A SUBMISSION TIMEFRAME CHART.

Instead, the landlord should evaluate the previous increase request and submit any new increase request no less than one calendar year from the previous increase request.

HOW TO SUBMIT AN INCREASE REQUEST



The request must be submitted through the new Landlord portal. For convenience, a **Rent Increase Request** tile has been added. To submit the request through the portal:

- Open your account in the <u>Landlord Portal</u>
- Select the Rent Increase Request tile to Add the Request
- Follow the instructions to complete and submit the request through the portal



WHY IS A RENT REASONABLE COMPARISON REQUIRED?

WHY IS A RENT REASONABLE COMPARISON REQUIRED?



HUD regulation 24 CFR 982.507(a)(2)(i) states:

(bold and underlining added for emphasis)

"Before the PHA may approve any rent increase to the owner, the PHA must determine and document whether the proposed rent is reasonable compared to similar units in the marketplace and not higher than those paid by unassisted tenants on the premises."



RENT REASONABLE COMPARISON TO DETERMINE INCREASE AMOUNT

RENT REASONABLE COMPARISON TO DETERMINE INCREASE AMOUNT



- Raleigh Housing Authority (RHA) began using a third-party vendor product to provide the rent reasonable calculations for the HCV/Section 8 and Project-based HCV programs in August 2024.
- The third-party vendor is Affordable Housing, and the rent reasonable product used is Rent Watch.
- The Rent Watch product allows RHA staff to enter information submitted by the owner and/or gained from inspector visits into the system for the subject unit.
- This unit information is then compared with other unassisted units within the same ZIP code. HUD has nine comparability factors – <u>location</u>, quality, <u>size</u>, <u>unit type</u>, unit age, amenities, housing services, maintenance and utilities.

RENT REASONABLE COMPARISON TO DETERMINE INCREASE AMOUNT



The PHA must consider the owner policies for existing assisted and unassisted tenants when an increase is requested.

- HCV tenant rent increases over time must be <u>similar to</u> <u>increases charged to unassisted tenants</u> who have lived in their units for approximately the same amount of time; and
- Reasonable <u>rent for existing HCV tenants must not exceed</u>
 <u>rents charged for comparable unassisted units</u> where tenants
 have lived for approximately the same amount of time.

RENT REASONABLE COMPARISON TO DETERMINE INCREASE AMOUNT



Overall, the PHA is to take a common-sense approach to valuing a rent increase based on:

- 1. Understanding local market factors
- 2. Ensuring calculations represent the entire market
- 3. Using updated market information, which can be a year old
- 4. Obtaining information about the program unit
- 5. Considering how utilities are paid
- 6. Sharing information with overlapping PHA jurisdiction

RENT REASONABLE COMPARISON TO DETERMINE INCREASE AMOUNT



The PHA should focus increase considerations on the <u>factors that affect rent</u> rather than measure against an arbitrary standard of average rents.

The broader the area for the range or average, the more likely it is for an under/overpayment for units.

RHA INCREASE PROCESSING TIME



- RHA should notify the landlord and tenant of the request results no more than 15 business days after receipt.
- The increase effective date is 60-calendar days from the date the request is received.
- Approved increases are paid at the beginning of the month following the 60-calendar day process time, to allow for the 30-day tenant notification period.

Exception: If the request is received during the biennial inspection month AND the unit inspection fails for any reason, the increase effective date AND response date will move back 30 days with each failed inspection. If the unit fails three inspections, no increase will be granted.



LEASED HOUSING STAFF CONTACTS

LEASED HOUSING DEPARTMENT STAFF CONTACTS



Eligibility Specialists: (new voucher holder and port-in)

- Tasheika Isler <u>tisler@rhanc.gov</u>
- Alicia Jackson <u>ajackson@rhanc.gov</u> (ports)
- Ashley George Front Desk receptionist

Manager:

Daineill Grier – <u>dgrier@rhanc.gov</u>

LEASED HOUSING DEPARTMENT STAFF CONTACTS



HCV Specialist: (current voucher holder and relocations)

- Adele Martinez (C, J, S, U, V) <u>amartinez@rhanc.gov</u>
- Alicia Smith (B, I, N) <u>asmith@rhanc.gov</u>
- Anisha Fermin (M, Pi) <u>afermin@rhanc.gov</u>
- Brittany Daniels (G, K, L, Po) <u>bdaniels@rhanc.gov</u>
- Collin Crabtree (S, T) <u>ccrabtree@rhanc.gov</u>

Manager:

Stephanie Beacham – <u>sbeacham@rhanc.gov</u>

LEASED HOUSING DEPARTMENT STAFF CONTACTS



HCV Specialist: (current voucher holder and relocations)

- Anaviya Caudle (A, Q, R, Z) <u>acaudle@rhanc.gov</u>
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- Timia Johnson (D, F, Y) tjohnson@rhanc.gov
- Tamaria Moore (W) tmoore@rhanc.gov
- Rosie Rodriguez (Hispanic families) rrodriguez@rhanc.gov

Manager:

Elizabeth Canady – <u>ecanady@rhanc.gov</u>

THANK YOU!



Thank you for your time and attention today.

We look forward to continuing to grow in business together.

Have a wonderful day!



Benita Wilson

HCV Inspections Manager and Landlord Liaison

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900 Haynes Street, Raleigh, NC











