

## **NOTICE OF PUBLIC HEARING: Administrative Plan Amendment**

The Queen Anne's County Housing Authority will conduct a Public Hearing to receive comments on a proposed amendment to its Housing Choice Voucher Administrative Plan. The amendment pertains to Section 8-III.B regarding when **rent reasonableness determinations are required**.

The hearing will be held immediately following the 5-Year Plan hearing, at the Queen Anne's County Housing Authority, 104 Powell Street, Centreville, Maryland 21617, on **Wednesday, June 4, 2025, at 11:30 a.m.**

The **proposed amendment** and the complete Administrative Plan are available for public review at the Housing Authority's main office at 104 Powell Street and online at: [www.qacha.org](http://www.qacha.org). Notices regarding the amendment will also be posted at each Housing Authority development. Copies may be requested by contacting the Housing Authority directly.

Efforts will be made to accommodate disabled and non-English speaking residents with five days advance notice. Please call 410-758-8634 or email [phaquestions@qac.org](mailto:phaquestions@qac.org).

## 8-III.B. WHEN RENT REASONABLENESS DETERMINATIONS ARE REQUIRED

### Owner- Initiated Rent Determinations

The PHA must make a rent reasonableness determination at initial occupancy and whenever the owner requests a rent adjustment.

The owner and family first negotiate the rent for a unit. The PHA (or independent agency in the case of PHA- owned units) will assist the family with the negotiations upon request. At initial occupancy the PHA must determine whether the proposed rent is reasonable before a HAP Contract is signed. The owner must not change the rent during the initial lease term. Subsequent requests for rent adjustments must be consistent with the lease between the owner and the family. Rent increases will not be approved unless any failed items identified by the most recent HQS inspection have been corrected.

#### PHA Policy

After the initial occupancy period, the owner may request a rent adjustment in accordance with the owner' s lease. **RENT INCREASES CAN ONLY OCCUR AT THE TIME OF LEASE RENEWAL AND MUST BE REQUESTED AT LEAST 90 DAYS PRIOR TO THE LEASE RENEWAL.** For rent increase requests after initial lease- up, the PHA may request owners to provide information about the rents charged for other units on the premises, if the premises include more than 4 units. In evaluating the proposed rents in comparison to other units on the premises the PHA will consider unit size and length of tenancy in the other units.

**OWNERS MUST ADHERE TO THE REQUIREMENT THAT RENT REMAIN WITHIN REASONABLE STANDARDS, AS OUTLINED IN THIS POLICY. ADDITIONALLY, ANNUAL RENT INCREASES MAY NOT EXCEED 5% OR THE CONSUMER PRICE INDEX (CPI) FOR ALL URBAN CONSUMERS FOR THE LOCAL AREA PLUS 2%, WHICHEVER IS LOWER. THIS LIMIT BALANCES AFFORDABILITY WITH LOCAL MARKET CONDITIONS.**

TO CALCULATE THE CPI AS REFERENCED, VISIT THE U.S. BUREAU OF LABOR STATISTICS (BLS) WEBSITE AT [WWW.BLS.GOV/CPI/REGIONAL-RESOURCES.HTM](http://WWW.BLS.GOV/CPI/REGIONAL-RESOURCES.HTM).

1. SELECT THE **BALTIMORE METRO AREA** FROM THE REGIONAL RESOURCES.
2. USE THE DATA FOR THE MOST RECENT FULL CALENDAR YEAR.
3. SUBTRACT THE EARLIEST VALUE ON THE LIST FROM THE VALUE FOR DECEMBER (OR THE LATEST AVAILABLE MONTH).  
THE RESULTING FIGURE IS THE CPI USED FOR THIS PURPOSE.

The PHA will determine whether the requested increase is reasonable within 10 business days of receiving the request from the owner. The owner will be notified of the determination in writing.

All rents adjustments will be effective the first of the month following 60 days after the PHA' s receipt of the owner' s request or on the date specified by the owner, whichever is later.

## **PHA and HUD- Initiated Rent Reasonableness Determinations**

HUD requires the PHA to make a determination of rent reasonableness ( even if the owner has not requested a change) if there is a 10 percent decrease in the fair market rent that goes into effect at least 60 days before the contract anniversary date. HUD also may direct the PHA to make a determination at any other time. The PHA may decide that a new determination of rent reasonableness is needed at any time.

### PHA Policy

In addition to the instances described above, the PHA will make a determination of rent reasonableness at any time after the initial occupancy period if: (1) the PHA determines that the initial rent reasonableness determination was in error or (2) the PHA determines that the information provided by the owner about the unit or other units on the same premises was incorrect.

## 9-I.H. CHANGES IN LEASE OR RENT [ 24 CFR 982.308]

If the tenant and the owner agree to any changes in the lease, such changes must be in writing, and the owner must immediately give the PHA a copy of such changes. The lease, including any changes, must remain in accordance with the requirements of this chapter.

Generally, PHA approval of tenancy and execution of a new HAP contract are not required for changes in the lease. However, under certain circumstances, the execution of a new lease and HAP contract are required. These circumstances include:

- Changes in lease requirements governing tenant or owner responsibilities for utilities or appliances
- Changes in lease provisions governing the term of the lease
- The family moves to a new unit, even if the unit is in the same building or complex

In these cases, if the HCV assistance is to continue, the family must submit a new Request for Tenancy Approval (RTA) along with a new dwelling lease containing the proposed changes. A new tenancy must then be approved in accordance with this chapter.

Where the owner is changing the amount of the rent to owner, the owner must notify the PHA at least 60 days before any such changes go into effect [ 24 CFR 982.308(g)(4)]. The PHA will agree to such an increase only if the amount of the rent to owner is considered reasonable according to the rent reasonableness standards discussed in Chapter 8.

**OWNERS MUST ADHERE TO THE REQUIREMENT THAT RENT REMAIN WITHIN REASONABLE STANDARDS, AS OUTLINED IN THIS POLICY. ADDITIONALLY, ANNUAL RENT INCREASES MAY NOT EXCEED 5% OR THE CONSUMER PRICE INDEX (CPI) FOR ALL URBAN CONSUMERS FOR THE LOCAL AREA PLUS 2%, WHICHEVER IS LOWER. THIS LIMIT BALANCES AFFORDABILITY WITH LOCAL MARKET CONDITIONS.**

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If the requested rent DOES NOT MEET THE ABOVE STANDARD OR is not found to be reasonable, the owner must either reduce the requested rent increase, or terminate the tenancy in accordance with the terms of the lease.

No rent increase is permitted during the initial term of the lease [ 24 CFR 982.309(a)(3)].

### PHA Policy

Where the owner is requesting a rent increase, the PHA will determine whether the requested increase is reasonable AND ALLOWABLE BASED ON THE RULES IN THIS POLICY within 10 business days of receiving the request from the owner. The owner will be notified of the determination in writing.

All landlords rent increase will go into effect upon yearly recertification, a landlord rent request form will be mailed out with all recertifications if an increase is requested.

Rent increases will go into effect on the first of the month following the 60 day period after the owner notifies the PHA of the rent change or on the date specified by the owner, whichever is later.