
HOUSING AUTHORITY OF THE CITY OF SEATTLE

MANUAL OF OPERATIONS

SUBJECT: SSHP Rent Policy

SCOPE: The Seattle Senior Housing Program (except for The Ravenna School Apartments whose rent policy must be consistent with the terms of the limited partnership which owns the building).

POLICY: The Seattle Housing Authority is committed to the preservation and long-term viability of the Seattle Senior Housing Program (SSHP) as a resource for low-income elderly and disabled households in the City of Seattle.

As required by City of Seattle ordinance 110124, passed in September 1981, establishing the program, SSHP rent policy will be set so as to ensure that SSHP units are affordable to low-income households (defined as households with incomes below 80% of the area median). Further, SHA will strive to house extremely low-income residents (whose incomes are 30% of median income or less) in SSHP to the extent that the program can remain financially viable, with total rent revenues sufficient to cover operating expenses and capital replacement costs, including a prudent level of operating and capital reserves.

The rent policy is established per the Board Resolution 4699 passed June 16, 2003, which includes recommendations from the SSHP rent structure advisory committee.

IMPLEMENTATION POLICY:

The goal of the Rent Policy is to ensure financial sustainability of the SSHP Program, as defined as sufficient revenues and capital reserves for twenty (20) years. Sufficient revenues shall mean that total rent revenue is enough to cover operating costs and contribute \$55.00 per unit per month to a capital replacement reserve. Sufficient capital reserves shall mean \$8,000-\$10,000 per unit to pay for maintaining buildings in the years beyond the twenty years.

Rents will be based upon a tiered, flat rent structure. The flat rents are established taking into account affordability for the full costs of housing (rent and Utilities), the availability of Housing Choice Voucher subsidy, the overall rental market, and costs of SSHP operations including capital replacement reserve.

The tiered, flat rent structure is intended to lead to a sustainable distribution of rents, in which there is enough rent from higher income residents and Housing Choice Vouchers to cover the costs of housing at least 75 percent of residents with incomes at or below 30% of the area median income.

For the schedule of rents see Exhibit 1.

The tiered, flat rent structure will include an annual rental increase. For residents with incomes at or below 30% of the AMI, the tiered rent increase will be based on the annual Social Security cost of living allowance (COLA). For incomes above 30% AMI, the tiered rent increase will be based on the Seattle-Tacoma-Bremerton, All Urban Consumers Price Index (CPI).

If there is a change in the resident's income that results in a permanent decrease in the household's gross annual income, the resident may request a recertification to reduce their rent to a lower rent tier, per the tiered rent schedule. Each household will be allowed one adjustment to a lower rent tier, per calendar year.

Review of the rent tiers for each fiscal year will be part of the agency annual budget process. Changes will be approved by the Board of Commissioners.

An extra bedroom fee will be charged for all 2-bedroom units, that is established by the Senior Property Manager based on desirability of the unit, including location and amenities.

Rent Due

Rent is due on the first of each month, and delinquent if not paid by the seventh of each month. When occupancy begins (new move-in) or ends (vacate) on a day other than the first day of a month, the rent shall be prorated based on a 30-day month.