

NEW RENTS TAKE EFFECT ON MARCH 1, 2009

Your agency, in conjunction with other Federal agencies, has contracted with the Department of the Interior, National Business Center, to establish rental rates for your housing as required by OMB Circular A-45 “Rental and Construction of Government Quarters” (<http://www.whitehouse.gov/omb/circulars/a045/a045.html>). According to A-45, your rents must be adjusted and recalculated every year, effective the first full pay period in March. This year, the effective date of new rents is March 1, 2009.

A-45 requires Federal housing rents to be set according to what you would pay for a similar housing unit in your nearest established community (NEC). To determine this, a survey of the private rental market in the region containing your NEC is done every four years. A new survey was just completed in your region. This means your rents will be recalculated in March 2009 to reflect current private rental market rates. During the years in between surveys, your rent is adjusted for inflation using the Consumer Price Index (CPI). Since the CPI is a national index, not localized to any specific community, it may not be keeping pace with the private rental market in your NEC. Because the CPI is not localized, when a new survey is implemented, large increases in rent may occur.

In addition to a private rental market survey, your rent is also based on the unique characteristics of your housing unit – the total square feet, bedrooms, bathrooms, year constructed, and the appliances, utilities and services provided by your employer. For this reason, your rent and any changes in rent will differ from your neighbor’s. A printed copy of your “Housing Inventory” should have been provided to you. Review your Housing Inventory for accuracy. If you discover an error in the Inventory, contact your housing manager immediately for correction and recalculation of your rent.

Because adjustments to your rent are required by Federal regulation, you cannot file an “appeal” simply because your rents have been recalculated. However, in years when a new survey is implemented, if you believe the new rent is significantly more than you would pay in your NEC (for the same size and type of housing unit), you may file an appeal. You should start by investigating rental rates in your NEC. (Refer to your “MONTHLY BASE RENT COMPUTATION SCHEDULE” to identify the nearest established community used.) Appeals must be filed in writing within 30 days of receipt of your rental notice, and you must include documentation to substantiate that rents were set incorrectly when compared to your NEC. In years where only inflation (CPI) is being applied to your rents, an appeal cannot be filed to dispute the underlying private rental market survey.

For more information please read the “Tenant Brochure” at http://www.nbc.gov/supportservices/pdf/tenant_faq.pdf or contact your housing manager.