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www.kcdc.org

October 19, 2020

Dear Mechanicsville Tenant,

Based on a HUD-required comprehensive analysis of each unit that includes actual usage over the previous 12 months a decrease in utility allowances for two bedroom units is warranted. **A decrease in utility allowance amounts will result in an increase of tenant rent for these units.**

The analysis also reflected an increase in utility allowances for three bedroom units is warranted. **An increase in utility allowances will result in a decrease of tenant rent for these units.**

Based on these results, KCDC will submit a request for approval of a decrease in the tenant utility allowance for two bedroom units as well as an increase in the tenant utility allowances for three bedroom units to the United States Department of Housing and Urban Development (HUD) via the Contractor Administrator at the Knoxville HUD Office.

The tenant utility allowances for which we are requesting approval are as follows and will become effective January 1, 2021.

Bedroom Size	Present Utility Allowance	Proposed Utility Allowance	Difference (+ or -)
Two Bedrooms	\$137.00	\$134.00	\$3.00 (Decrease)
Three Bedrooms	\$139.00	\$151.00	\$12.00 (Increase)

A copy of the materials that we are submitting to the Knoxville HUD Office Contract Administrator in support of our request will be available during normal business hours, Monday – Friday, 7:30 am – 4:00 pm, at the following locations: Mechanicsville Development Office, located at 2020 Minnesota Avenue; KCDC’s Main Office, located at 901 N. Broadway; and on KCDC’s website at www.kcdc.org for a period of 30 days beginning November 1, 2020, and continuing through November 30, 2020, for inspection and copying by tenants of Mechanicsville, if the tenants wish, by legal or other representatives acting for them individually or as a group.

During this 30-day period, tenants of Mechanicsville may submit written comments on the proposed rent increase to me at:

Knoxville’s Community Development Corporation
Attention – Stacey Ayres, Quality Assurance Coordinator
901 N. Broadway, Knoxville, Tennessee 37917



Tenant representatives may assist tenants in preparing those comments. If, at Knoxville HUD Office Contract Administrator's request or otherwise, we make any material change during the comment period in the materials available for inspection and copying, we will notify tenants of the change or changes, and the tenants will have a period of 15 days from the date of this additional notice (or the remainder of any applicable comment period, if longer in which to inspect and copy the materials as changed and to submit comments on the proposed rent increase). These comments will be transmitted to Knoxville HUD Office Contract Administrator, along with our evaluation of them and our request for the decrease. You may also send a copy of your comments directly to the Contract Administrator, Knoxville HUD Office at the following address:

Knoxville HUD Office
Attention – Contract Administrator (Project Number TN37RD00005)
John J. Duncan Federal Building
710 Locust Street - Third Floor
Knoxville, Tennessee 37902

Knoxville HUD Office Contract Administrator will approve, adjust upward or downward, or disapprove the proposed tenant utility allowance decrease upon reviewing the request and comments. When Knoxville HUD Office Contract Administrator advises us in writing of its decision on your request, you will be notified. If the request is approved, any required decrease will be put into effect only after a period of at least 30 days from the date of that notice and in accordance with the terms of existing leases.

Sincerely,



Stacey L. Ayres
Quality Assurance Coordinator

**KCDC 2021 Baseline Utility Analysis
Mechanicsville
Tenant Comment Form**

Tenant Name (Print): _____

Comments:

Tenant Signature

Date

Tenant Representative

Date

