AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

Agenda Item: OCAF Rent Increase; Mt View Apts

Action Requested: County Manager Signature

Parties to the Agreement:

Term Begins: **Term Ends:** **Grant Contract #:**

Summary:

OCAF Rent Increase for Mountain View Apartments

Fiscal Impact:

Submitted by: Liz Mense for GVRHA **Submitter's Email Address:** EMense@gunnisoncounty.org

Finance Review: (●) Required ( ) Not Required

Comments:
No concerns. The debt service amount used in the calculation is accurate.
ln

Reviewed by: GUNCOUNTY1\lNienhueser Discharge Date: 6/10/2020

County Attorney Review: (●) Required ( ) Not Required

Comments:
no document provided for my review. db 6/10/20

Reveiwed by: GUNCOUNTY1\dBaumgarten Discharge Date: 6/10/2020 Certificate of Insurance Required Yes ( ) No (●)

County Manager Review:

Comments:

Reveiwed by: GUNCOUNTY1\mbirnie Discharge Date: 6/10/2020

(●) Consent Agenda ( ) Regular Agenda ( ) Worksession Time Allotted: 0

Agenda Date: 6/16/2020

Revised April 2015

chfa

denver
1981 Blake Street
Denver, CO 80202
303.297.chfa (2432)
800.877.chfa (2432)

PO Box 60
Denver, CO 80201
800.659.2656 tdd
www.chfainfo.com

western slope
348 Main Street
Grand Junction, CO 81501
970.241.2341
800.877.8450

June 5, 2020

Management Agent Contact
Gunnison County Housing Authority
202 E. Georgia Avenue
Gunnison, CO 81230
VIA ELECTRONIC MAIL

Subject: Automatic OCAF Rent Increase
MOUNTAIN VIEW APARTMENTS
CO99H001099/10135339
Rent Comparability Study Expires: N/A

Dear Management Agent Contact:

MOUNTAIN VIEW APARTMENTS is in a multi-year Housing Assistance Payments Contract and, as such, is eligible for an automatic OCAF rent increase to become effective 11/1/2020. However, if the complete rent increase submission is not received by the due date referenced below, the effective date will be delayed as detailed. The rent increase factor is 1.019. The debt service amount used in the calculation of new rents is $36,982.20. Please confirm that the debt service amount indicated is correct, if not, please contact me with the correct amount and a new Auto-OCAF Letter will be generated and sent to you.

Should you elect this rent increase, the new rents for MOUNTAIN VIEW APARTMENTS will be as indicated on the attached Exhibit A.

Indicate below which rent increase option you are requesting be applied in the upcoming contract funding year. Complete the Project information section that follows, and return this Notice and any attachments to your HUD/PBCA within 10 days of receipt of this package (check one).

☒ I elect to receive the attached automatic OCAF rent increase.

☐ I elect to receive the attached automatic OCAF rent increase, and am submitting a Base Line Utility Analysis, a Certification providing the utility usage average amount that will adjust the utility allowance, and the supporting utility usage documentation from the utility provider; or if applicable, in the second and third

year after a base line utility analysis has been submitted a Factor Based Utility Analysis may be requested utilizing the pertaining year's HUD published Utility Allowance Factor to adjust the utility allowance.

☐ I request a **zero** budget-based rent adjustment in lieu of the OCAF adjustment and understand that this will result in renewed funding at current rents. I further understand that the OCAF adjustment for this year may not be recouped retroactively in the future. If applicable, I am submitting a Utility Analysis and recommendation for a change to the Utility Allowances in the form mentioned above in election two. My signature on this letter certifies that I have reviewed the project's income and expenses and they are at levels that will enable me to continue to provide decent, safe and sanitary housing **(Not available for Option 3)**.

☐ Other: _____

Attached is an electronic pdf of the Form HUD-92458 Rent Schedule Low Rent Housing for completion as follows:

- ***Please complete Column 7 and 8 of Part A (only applies to properties under the 236 Program) and/or Parts B through H of the HUD-92458 Rent Schedule (applies to all).***
- ***Any items listed as charges to tenants must have prior HUD approval. Please provide proof of such approval when you return the signed copy.***
- Please have the owner sign the rent schedule and email the **electronic pdf copy** to my attention within 10 day of the receipt of this package. We will not be allowed to process unless only the **OWNER, or Owner authorized with written permission provided,** has signed.

Please understand that if you choose to increase the rents, in order for the increased rents to become effective on the anniversary date of the contract, your complete submission (as stated in the choices above) must be submitted no later than **7/3/2020**. If the package is not received timely, the increase to the rents will be delayed one month for every month that the submission is late.

I (We) hereby **certify** that the debt service amount of $36,982.20 and the non-section 8 rent potential amount of $0 is true, accurate and complete to the best of my (our) knowledge and belief.

Project Name: Mountain View Apartments

Owner Name: Gunnison County

Owner Signature: _____ Date: _____

Should you have any questions, please let me know.

Thank you,
Fazil Hashimi
Contract Administrator

OMB Control #2502-0587
Exp. (04/30/2017)

"Public reporting burden for this collection of information is estimated to average .50 hour. This includes the time for collecting, reviewing, and reporting the data. The information is being collected for purposes of determining rent adjustments and will be used for estimating new rents. Response to this request for information is **required in order to receive the benefits to be derived**. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number. **No confidentiality is assured."**

Privacy Act Notice: The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in the form by virtue of Title 12, United States Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. While no assurance of confidentiality is pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information Act request.

EXHIBIT A

IDENTIFICATION OF UNITS ("CONTRACT UNITS")
BY SIZE AND APPLICABLE CONTRACT RENTS

Section 8 Contract Number: CO99H001099
FHA Project Number: 10135339
Effective Date of the Rent Increase: 11/1/2020

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
25	**1**	**743**	**0**	**743**
3	**2**	**901**	**0**	**901**

Do not submit a Gross Rent Change through TRACS until the HUD-92458 Rent Schedule has been returned to you duly executed from your HUD/PBCA office.

Note: (1) This Exhibit will be amended by Contract Administrator notice to the Owner to specify adjusted contract rent amounts as determined by the Contract Administrator in accordance with the Renewal Contract.
(2) These rents are applicable with the Amend Rents Automatic OCAF for this effective Date.

Attachments Included: HUD Form 92458 (Rent Schedule – Required)
Utility Analysis Certification (Required)
Utility Allowance Worksheet (Optional)

Rent Schedule
Low Rent Housing

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0012
(exp. 11/30/2020)

See page 3 for Instructions, Public Burden Statement and Privacy Act requirements.

Project Name		FHA Project Number	Date Rents Will Be Effective (mm/dd/yyyy)
Mountain View Apartments	CO99H001099	10135339	11/01/2020

Part A – Apartment Rents
Show the actual rents you intend to charge, even if the total of these rents is less than the Maximum Allowable Monthly Rent Potential.

Col. 1 Unit Type (Include Non-revenue Producing Units)	Col. 2 Number of Units	Contract Rents: Col. 3 Rent Per Unit	Contract Rents: Col. 4 Monthly Contract Rent Potential (Col. 2 x Col. 3)	Col. 5 Utility Allowances (Effective Date (mm/dd/yyyy) ___/___/___)	Col. 6 Gross Rent (Col. 3 + Col. 5)	Market Rents (Sec. 236 Projects Only): Col. 7 Rent Per Unit	Market Rents (Sec. 236 Projects Only): Col. 8 Monthly Market Rent Potential (Col. 2 x Col. 7)
1Bedroom	25	743	18,575	0	743		0
2Bedroom	3	901	2,703	0	901		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
			0		0		0
Total Units	28	Monthly Contract Rent Potential (Add Col. 4)* $21,278				Monthly Market Rent Potential (Add Col. 8)* $0	
		Yearly Contract Rent Potential (Col. 4 Sum x 12)* $255,336				Yearly Market Rent Potential (Col. 8 Sum x 12)* $0	

* These amounts may not exceed the Maximum Allowable Monthly Rent Potential approved on the last Rent Computation Worksheet or requested on the Worksheet you are now submitting. Market Rent Potential applies only to Section 236 Projects.

Part B – Items Included in Rent

Equipment/Furnishings in Unit (Check those included in rent.)

- [x] Range
- [x] Refrigerator
- [ ] Air Conditioner
- [ ] Disposal
- [ ] Dishwasher
- [x] Carpet
- [x] Drapes
- [ ] _____
- [ ] _____
- [ ] _____
- [ ] _____
- [ ] _____
- [ ] _____

Utilities **(Check those included in rent. For each item, (even those not included in rent), enter E, F, or G on line beside that item) E=electric; G=gas; F=fuel oil or coal.**

- [x] Heating E
- [ ] Cooling _____
- [x] Hot Water E
- [x] Cooking E
- [x] Lights, etc. E
- [ ] _____

Services/Facilities (check those included in rent)

- [ ] Parking
- [ ] Laundry
- [ ] Swimming Pool
- [ ] Tennis Courts
- [ ] _____
- [ ] _____
- [ ] _____
- [ ] _____
- [ ] Nursing Care
- [ ] Linen/Maid Service
- [ ] _____
- [ ] _____

Part C – Charges in Addition to Rent (e.g., parking, cable TV, meals)

Purpose	Monthly Charge
	$
	$
	$
	$
	$
	$ 0

Part D – Non-Revenue Producing Space

Col. 1 Use	Col. 2 Unit Type	Col. 3 Contract Rent
Total Rent Loss Due to Non-Revenue Units		$ 0

Part E – Commercial Space (retail, offices, garages, etc.)

Col. 1 Use	Col. 2 Monthly Rent Potential	Col. 3 Square Footage	Col. 4 Rental Rate Per Sq. Ft. (Col. 2 divided by Col. 3)
	$ 0	Total Commercial Rent Potential	

Part F – Maximum Allowable Rent Potential

Enter Maximum Allowable Monthly Rent Potential From Rent Computation Worksheet (to be completed by HUD or lender) $ 21,278

Part G – Information on Mortgagor Entity

Name of Entity: Gunnison County

Type of Entity

☐ Individual ☐ General Partnership ☐ Joint Tenancy/Tenants in Common ☐ Other (specify)

☐ Corporation ☐ Limited Partnership ☐ Trust

List all Principals Comprising Mortgagor Entity: provide name and title of each principal. Use extra sheets, if needed. If mortgagor is a:

- corporation, list: (1) all officers; (2) all directors; and (3) each stockholder having a 10% or more interest.
- partnership, list: (1) all general partners; and (2) limited partners having a 25% or more interest in the partnership.
- trust, list: (1) all managers, directors or trustees and (2) each beneficiary having at least a 10% beneficial interest in the trust.

Name and Title: Jonathan Houck, Board of Directors

Name and Title: John Messner, Board of Directors

Name and Title: Roland Mason, Board of Directors

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Part H – Owner Certification

To the best of my knowledge, all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name and Title	Authorized Official's Signature Date (mm/dd/yyyy)

Part I – HUD/Lender Approval

Addendum Number	Branch Chief/Lender Official Signature
HAP Contract Number	Date (mm/dd/yyyy)
Exhibit Number	Director, Housing Management Division Signature
Loan Servicer Signature Date (mm/dd/yyyy)	Date (mm/dd/yyyy)

Public reporting burden for this collection of information is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This collection of information is authorized under Section 207 of the National Housing Act. The information is necessary for the Department to ensure that project owners are not overcharging their tenants and to ensure that the rent levels approved by the Department are not exceeded. The Department uses this information to enforce rent regulations which otherwise would be difficult because there would be no clear record of the rents and charges that the Department had approved. In addition, the Department needs to periodically collect information regarding project principals, so unauthorized participation by previously excluded or otherwise undesirable owners can be detected. This information is required to obtain benefits. HUD may disclose certain information to Federal, State, and local agencies when relevant to civil, criminal, or regulatory investigations and prosecutions. It will not be otherwise disclosed or released outside of HUD, except as required and permitted by law.

Instructions

All project owners must submit the form HUD-92458 when requesting an adjustment to project rents. HUD establishes and approves rental charges and utility allowances on the Form. The owner is responsible for notifying tenants of the approved rents.

General. For projects with fully-insured or HUD-held mortgages, the owner/agent submits this Form to the HUD Field Office. For projects with coinsured mortgages, the owner/agent submits this Form to the lender.

Part A. If the monthly rent potential you are proposing is less than or equal to the Maximum Allowable Monthly Rent Potential approved by HUD/lender on your original Rent Formula or on your most recent Rent Computation Worksheet, complete all of Part A according to the instructions below. If the monthly rent potential you are requesting exceeds the Maximum Allowable Monthly Rent Potential approved by HUD/lender on your original Rent Formula or on your most recent Rent Computation Worksheet, complete only Columns 1 and 2 according to the instructions below. Show your proposed rents and monthly rent potential in the cover letter transmitting your rent increase request.

Column 1. Show each type of unit for which rents will vary. Show the number of bedrooms and bathrooms and other features that cause rents to vary (e.g., 2 BDM, 1 B, DA, KETTE, vs 2 BDM, 2B, DR, K). Use the following symbols:

BDM	- Bedroom	LR	- Living Room
B	- Bath	DR	- Dining Room
K	- Kitchen	DA	- Dining Alcove
KETTE	- Kitchenette		

Column 2. Show the number of units for each unit type. Include non-revenue producing units.

Column 3. For unsubsidized projects, show the rent you intend to charge for each unit type. For subsidized projects, show the contract rent (as defined in HUD Handbook 4350.3) for each unit type.

Column 4. For each line, multiply the contract rent in Column 3 by the number of units in Column 4. Add monthly contract rent potentials for each unit size to compute the total monthly contract rent potential. Multiply the monthly total by 12 to compute the annual contract rent potential.

Columns 5 and 6. Complete the Columns only if the project has a subsidy contract with HUD and some utilities are not included in the rent. In Column 5, show the utility allowance for each unit type. Compute the gross rent for each unit type by adding the contract rent in Column 3 and the utility allowance in Column 5. Show this amount in Column 6.

Columns 7 and 8. Complete these Columns only if the project is receiving Section 236 Interest Reduction Payments. In Column 7, show the market rent for each unit type. In Column 8, for each line multiply the market rent in Column 7 by the number of units in Column 2. Add the monthly market rent potentials for each unit size to compute the total monthly market rent potential. Multiply the monthly total by 12 to compute the annual market rent potential.

Parts B, C, D and E. Complete these Parts according to the instructions on the Rent Schedule.

Part F. Do not complete this Part. The HUD Field Office/lender will complete this Part.

Parts G and H. Complete these Parts according to the instructions on the Rent Schedule.

Part I. Do not complete this Part. The HUD Field Office/lender will complete this part.