

PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL**REPORT TO COMMISSIONERS****FROM JON M. GUTZMANN
EXECUTIVE DIRECTOR****REGARDING** RAD-PBRA/Multifamily Housing
Rent Schedule Submission**DATE** September 22, 2021

Staff requests Board approval to execute and submit to HUD the Rent Schedule for each of the Agency's eight RAD-PBRA Projects for 2022.¹ This is the final document the Agency is required to submit to ensure that our requested contract rent and utility allowance adjustments are reviewed, approved, and executed by HUD-Multifamily staff both in the local office and HUD Headquarters before the January 1, 2022 anniversary date of the PHA's Housing Assistance Payments (HAP) contracts with HUD.

Rent Schedules must be prepared and submitted to HUD by Multifamily Housing Project owners at least annually, or any time changes to a Project's contract rent or utility allowance are authorized. The PHA's Rent Schedules show the actual rents recommended for the RAD-PBRA units next year. The rents are the same as listed in the report on Operating Cost Adjustment Factor (OCAF) Rent Adjustments the Board approved at the August 25, 2021 meeting.² As stated then, rents based on that factor will increase the total potential rent revenue in 2022 by almost \$900,000, minus losses for unit vacancies and collection losses that are written off.

A summary of the recommended 2022 Rent Schedules for each Project is attached, showing the contract rents with the OCAF adjustment. Increases in contract rents do not impact resident rent

¹ The eight RAD-PBRA projects are the properties converted to Project-Based Rental Assistance under HUD's Rental Assistance Demonstration program. They include all of the PHA's 16 hi-rises and four family housing developments.

² HUD permits owners to set the contract rents below the maximum allowable monthly rent established on the Operating Cost Adjustment Factor (OCAF) Rent Adjustment Worksheet. However, to maximize the revenue generated by each Project, the PHA's RAD Pro Formas were based on implementing the full OCAF adjustment each year.

payments since rental payments are formula-driven and cannot exceed more than 30% of adjusted gross income.

The Rent Schedules also include updated utility allowances for those Projects where residents are responsible for paying their own utilities.³ The recommended utility allowance changes are explained in a related agenda item at this meeting.

A copy of the Rent Schedule for one RAD-PBRA Project (McDonough Homes) is attached as an example.

JMG/LTS/AJH/FAH/LF

Attachments: Summary of 2022 Rent Schedules
Rent Schedule for McDonough Homes; HUD Form 92458

³ Residents of the PHA's family housing developments are responsible for their electric and heating expenses. The PHA pays water, sewer, and trash for all units.

St Paul PHA
Summary of Annual OCAF/Contract Rents Adjustment
Per Unit Increase 2021 to 2022

		Proposed CY 2022 Contract Rent	CY 2021 Contract Rent	Per Unit Increase
McDonough Homes				
1 BR	\$	591	\$ 577	\$ 14
2 BR	\$	742	\$ 725	\$ 17
3 BR	\$	1,059	\$ 1,034	\$ 25
4 BR	\$	1,241	\$ 1,212	\$ 29
5 BR	\$	1,427	\$ 1,394	\$ 33
Hamline-Front-Seal Hi-Rises				
1 BR	\$	765	\$ 747	\$ 18
Edgerton-Iowa-Wilson Hi-Rises				
1 BR	\$	760	\$ 742	\$ 18
Roosevelt Homes				
1 BR	\$	620	\$ 605	\$ 15
2 BR	\$	781	\$ 763	\$ 18
3 BR	\$	1,109	\$ 1,083	\$ 26
4 BR	\$	1,299	\$ 1,269	\$ 30
Mt Airy-Valley Hi-Rises, Mt. Airy Homes				
0 BR	\$	549	\$ 536	\$ 13
1 BR	\$	667	\$ 651	\$ 16
2 BR	\$	839	\$ 819	\$ 20
3 BR	\$	1,188	\$ 1,160	\$ 28
4 BR	\$	1,392	\$ 1,359	\$ 33
5 BR	\$	1,599	\$ 1,562	\$ 37
Exchange-Wabasha Hi-Rises				
0 BR	\$	665	\$ 649	\$ 16
1 BR	\$	806	\$ 787	\$ 19
Ravoux-Neill-Central Hi-Rises				
0 BR	\$	621	\$ 606	\$ 15
1 BR	\$	753	\$ 735	\$ 18
Dunedin-Montreal-Cleveland Hi-Rises, Dunedin Terrace				
1 BR	\$	729	\$ 712	\$ 17
2 BR	\$	918	\$ 896	\$ 22
3 BR	\$	1,302	\$ 1,271	\$ 31
4 BR	\$	1,524	\$ 1,488	\$ 36
5 BR	\$	1,751	\$ 1,710	\$ 41

Part G – Information on Mortgagor Entity

Name of Entity

Public Housing Agency of the City of Saint Paul

Type of Entity

- Individual General Partnership Joint Tenancy/Tenants in Common Other (specify) Public Housing Agency
 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

Jon M Gutzmann, Executive Director

Name and Title

Missy Staples Thompson, Chair

Name and Title

Kevin Lindsey, Vice Chair

Name and Title

Tom Reding, Treasurer

Name and Title

Yer Chang, Secretary

Name and Title

Pete Verdeja, Assistant Secretary

Name and Title

John Cardoza, Commissioner

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

Jon Gutzmann
Executive Director

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.