



U. S. Department of Housing and Urban Development

K [redacted] e Field Office, R [redacted]
[redacted] Street, Suite 300
[redacted]

March 29, 2016

[redacted]
President
[redacted]
[redacted]

Dear Mr. [redacted]

SUBJECT: Utility Conversion
[redacted] Apartments
HAP Contract No.: T [redacted]

This Office reviewed your application to convert from property paid utilities to tenant paid utilities. The application meets the requirements of Chapter 12 of the Department of Housing and Urban Development's (HUD's) Handbook [redacted].


During the tenant comment period, our Office received a response from 10% of the residents of [redacted]. The main concern of residents at [redacted] Apartments is energy efficiency. Specifically, the Seer rating and age of the HVAC units, inspection and outcome of said inspection of the insulation and ventilation of each building and the caulking on all doors and windows. When providing the residents of the thirty (30) day notification of the lease and/or rent change, please provide them with this information.

[redacted] County Development Corporation ([redacted]) is currently providing a Utility Allowance (UA) of \$88 per unit per month for those units with Section 8 vouchers. HUD approves a UA of \$88 for those units receiving Project Based subsidy. The [redacted] Utility [redacted] informed our office that a conversion fee of \$40 per unit will be access. The \$40 assessment per unit is a project expense to be paid before the contract rents are reduced. You cannot evict any current resident receiving subsidy unable to qualify for utilities with [redacted]

Please submit a monthly rent roll to our office with the [redacted] status of each unit (i.e. - Approved, In Process, Disapproved, etc.). Once the status of each unit is determined and confirmed, please submit a new form HUD 92458, Rent Schedule Low Rent Housing, to our office for execution. The new Contract Rents for those units that have been converted will be \$607, with a UA of \$88 and Gross Rents of \$695. The units that did not meet the qualifications of KUB will have a Contract Rent and Gross Rent of \$695. The Rent Schedule will serve as a new Exhibit A for the Housing Assistance Payment Contract.

Provide a certification that a review of the [REDACTED] has been completed to ensure that it contains the necessary language that a tenant must be able to obtain utilities from [REDACTED] in order to obtain tenancy or language to that affect.

Should you have any questions, please feel free to contact [REDACTED] at [REDACTED]@HUD.Gov or at [REDACTED]

Sincerely, 

[REDACTED]

Chief
Account Executive Branch 1