



# COMMERCIAL MANAGEMENT

## One-Year Notification Letter – Owner Does Not Intend to Renew

August 20, 2012

Dear Resident:

The Department of Housing and Urban Development subsidizes the rent of your apartment through the project-based Section 8 program. Federal law requires that owners provide tenants with a one-year notification before the expiration of a Section 8 contract. The Section 8 contract that pays the government's share of your apartment rent at Main Street Apartments expires on 2/25/13. The opt out date is 8/20/13.

While there will be no immediate change in your rental assistance, we are required to inform you of our intended actions effective 8/20/13.

**This letter is to notify you that we do not intend to renew the current Section 8 contract effective with the opt out date of 8/20/13.**

Since we do not intend to renew this project-based contract upon opt out date, it is our understanding that, if Congress makes funds available (which it has in the past and is expected to in the future), the Department of Housing and Urban Development will provide all eligible tenants currently residing in a Section 8 project-based assisted unit with tenant-based assistance. Unlike the current project-based Section 8 contract, Section 8 vouchers are issued to the tenants and allows them to choose the place they wish to rent. The Section 8 voucher program is administered by local Public Housing Authorities. Federal law allows you to elect to continue living at this property provided that the unit, the rent, and we, the owners, meet the requirements of the Section 8 tenant-based assistance program. As an Owner, we will honor your right as a tenant to remain at the property on this basis as long as it continues to be offered as rental housing, provided that there is no cause for eviction under Federal, State or local law.

You will also have the opportunity to choose another development or single family house in which to move provided that the new landlord will accept the voucher and the owner and the unit meet Section 8 tenant-based program requirements.

Please remember that project-based Section 8 rental assistance will continue to be provided on your behalf for one year. In addition, we may agree to a renewal of the project-based contract with HUD, thus avoiding contract termination altogether.

Approximately four months (120 days) before the opt out date, HUD requires that we confirm our final decision to not renew this contract. Following this confirmation, you will be contacted by the local Public Housing Authority (PHA) to determine your household's eligibility for tenant-based assistance. If you intend to apply for Section 8 tenant-based rental assistance you should not move from your current unit until you have consulted with the local PHA about your eligibility for tenant-based assistance.

If you have any questions or would like information on the Section 8 Program, the following sources may be of assistance:

Contract Administrator

Minnesota Housing Finance Agency  
400 Sibley Street, Suite 300  
St. Paul, MN 55101  
Jessica Kaufhold - 651-284-3171

HUD Field Office

U.S. Department of Housing & Urban Development  
Minnesota State Office  
920 Second Avenue South, Suite 1300  
Minneapolis, MN 55402  
Maggie Nye - 612-370-3051 Ext. 2254

HUD Web: <http://hud.gov> – click on “rental help”

Please contact my office if you have any questions.

Sincerely,



Lynn Robson  
Commercial Management, LLC  
84 St. Croix Trail South  
Lakeland, MN 55043  
651-556-2222 Phone  
651-556-2229 Fax

cc: Local HUD Office / (Contract Administrator, MHFA)  
City of Chatfield

# COMMERCIAL MANAGEMENT

## RESIDENT IMPACT STATEMENT

Commercial Management, LLC as Receiver for Oak Valley, LLC, the owner of Main Street Apartments, 714/724 Main Street, Chatfield, MN 55923 anticipates that on or after August 20, 2013 it will terminate participation in the following federally assisted housing programs for the following numbers of units, which apply to the project:

Project-Based Section 8, 15 Units

Minnesota law requires owner to submit to the residents of the project, the City of Chatfield, and the Minnesota Housing Finance Agency, and (if the property is located in the metropolitan area as defined in section 473.121, subdivision 2), the Metropolitan Council) a statement of the impact of such termination on the residents of the project. (At least 12 months before termination of participation – MN Statutes 471.9997.) This document performs that purpose.

- 1) 15 units within the project will no longer be subject to rent restriction imposed by the federal program(s) which applies to the project effective as the date of termination of the program which will be no earlier than twelve months after the date of this Impact Statement.
- 2) Owner estimates that the rents to be charged after termination will be:  
(1) bedroom: \$470.00 as compared to current rents charged under the federal program of \$491.00 and (2) bedroom: \$505.00 as compared to current rents charged under the federal program of \$505.00.
- 3) Actions Owner will take to assist displaced tenants:

Accept Section 8 vouchers at market rent

Working with local HRA on issuing Section 8 vouchers

Dated: 8/20/12

By  \_\_\_\_\_

Receiver  
Its \_\_\_\_\_