

Subject: Opt out notice and Resident Impact Statement received for Marshall Ave TH, St. Paul

Opt out notice and Resident Impact Statement received for Marshall Ave TH, St. Paul

Project Name	Marshall Avenue Townhomes
City	708-730 Marshall Avenue, St. Paul
City Population,	287,151
County Population	511,035
County	Ramsey
Proposed Opt Out date	10/07/2011
Program	100% Project based Section 8
# of Subsidized Units, # of Section 8 units	100% Section 8
Total # of Units	12
Family/Elderly	Family
Owner Contact	John McCarty 1818 Grand Avenue, St. Paul 55105 651.204.0026
Prepayment and/or Opt Out	Opt out
Comments	TCA portfolio
Assigned HAP Officer	Jessica Kaufhold
Assigned HMO	Monte Aaker

Units	Current rents	Proposed rents
2BR HC (1)	\$950	\$1023
2BR (7)	\$993	\$1100
3BR (2)	\$1088	\$1361
4BR (2)	\$1183	\$1461

[Please consider the environment before printing this e-mail.]

St. Paul Development Corporation LLC
Marshall Avenue Townhomes
708-730 Marshall Avenue
St. Paul, Minnesota 55104

1818 Grand Avenue
St. Paul, MN 55105

John A. McCarty, President
Phone: (651) 204-0026
Fax: (651) 204-0026

**ONE YEAR NOTIFICATION LETTER-OWNER DOES NOT
INTEND TO RENEW**

October 4th, 2010

Dear Resident:

The Department of Housing and Urban Development subsidizes the rent of your townhome property through the project-base 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 townhome rent at Marshall Avenue Townhomes expires on October 7, 2011.

Although there will be no immediate change in your rental assistance, we are required to inform you of our intended actions when the contract expires one year from now.

This letter is to notify you that we do not intend to renew the current Section 8 contract when it expires.

Since we do not intend to renew this project-based contract upon its expiration, 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 the 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 expiration of the Section 8 contract, 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 assistance:

*Contract Administrator
Minnesota Housing Finance Agency
Jessica Kaufhold
651-284-3171*

*HUD Field Office
William Thomas
612-370-3051 ext. 2297*

*HUD Web
<http://hud.gov>
-click on "rental help"*

Sincerely,

St. Paul Development Corporation

*John A. McCarty
John McCarty*

Cc: local HUD office/ Minnesota Housing Finance Agency/ Metro HRA/ St. Paul PHA

RESIDENT IMPACT STATEMENT

St. Paul Development Corporation LLC, the owner of Marshall Avenue Townhomes, anticipates that on or after October 7, 2011, it will terminate participation in the following federally assisted housing programs for the following number of units which apply to the project: Section 8 Program – 12 units

Minnesota law requires owner to submit to the residents of the project, the City of St. Paul, 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) **(#)12 units within the project will no longer be subject to rent restriction imposed by the federal program(s) which applies (apply) to the project effective as of 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:**

(2)bedroom: HCP \$ 1023.00as compared to current rents charged under the federal program of \$950.00 and (2) bedroom: \$1100.00 as compared to current rents charged under the federal program of \$993.00 and

(3) bedroom: \$1361.00 as compared to current rents charged under the federal program of \$1,088.00 and (4) bedroom: \$1461.00 as compared to current rents charged under the federal program of \$1183.00.

- 3) **Actions Owner will take to assist displaced tenants:**

Owner proposes to assist qualified tenant(s) who may experience an increase in rent upon termination to obtain a Section 8 voucher from the United States Department of Housing Development or the Housing and Redevelopment Authority to avoid displacement.

Date: 10-4-2010

Owner: St. Paul Development Corporation LLC.

By: John A. McCarty

Its: owner