

30 March 2015

NOTICE OF APPROVED RENT AND UTILITY ALLOWANCE CHANGE

Gail L. Allen Chief, Finance/Administration Regional Housing Authority of Sutter and Nevada Counties 1445 Butte House RD Yuba City, CA 95993

SUBJECT: 2015-2016 APPROVED BUDGET – Richland Homes I, II & III

Dear Ms. Allen:

You are hereby notified that USDA Rural Development has reviewed the request for a change in shelter costs for the Richland Homes I, II & III, and considered all justifications provided by project management (and comments provided by tenants). The Rural Development has approved the following rent (occupancy charge) and/or utility allowance rates listed below. The changes for all units will become effective on April 1, 2015 or later effective date in accordance with state and local laws. The change is needed for the following reasons:

- 1. No Utility allowance change
- 2. No change in rents rate

The approved changes are as follows:

| Unit | Present Rent | | | Proposed Rent | | | Amount Changed |
|------|--------------------|------|------|--------------------|------|------|----------------|
| Size | (Occupancy Charge) | | | (Occupancy Charge) | | | |
| | Basic rate | Note | HUD | Basic rate | Note | HUD | |
| | | rate | | | Rate | | |
| 2BR | 1,021 | 1021 | 790 | 1021 | 1021 | 850 | \$0 |
| 3BR | 1,154 | 1154 | 1142 | 1154 | 1154 | 1228 | \$0 |
| 4BR | 1,278 | 1278 | 1351 | 1278 | 1278 | 1454 | \$0 |

The approved utility allowance changes are as follows:

| Unit | Present | Proposed | Amount |
|------|-----------|-----------|---------|
| Size | Utility | Utility | Changed |
| | Allowance | Allowance | |
| 1BR | 74 | 74 | \$0 |
| 2BR | 93 | 93 | \$0 |
| 4BR | 110 | 110 | \$0 |

Rural Development • Oroville Office

150-D Chuck Yeager Way • Oroville, CA 95965

Voice (530) 533-4401 ext. 113 • email William.smith2@ca.usda.gov TDD (530) 792-5848

USDA is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

Should you have any questions or concerns, you may contact Rural Development. The Rural Development Servicing Office address is 150-D Chuck Yeager Way, Oroville, CA 95965.

You must notify the tenants of Rural Development's approval of the rent (occupancy charge) and utility allowance changes by posting this letter in the same manner as the "NOTICE TO TENANTS (MEMBERS) OR PROPOSED RENT (OCCUPANCY CHARGE) AND UTILITY ALLOWANCE CHANGE." This notification must be posted in a conspicuous place and cannot be substituted for the usual written notice to each individual tenant.

This approval does not authorize you to violate the terms of any lease (occupancy agreement) you currently have with your tenants.

For those tenants receiving rental assistance (RA), their costs for rent (occupancy charge) and utilities will continue to be based on the higher of 30 percent of their adjusted monthly income or 10 percent of gross monthly income or if the household is receiving payments for public assistance from a public agency, the portion of such payments which is specifically designated by that agency to meet the household's shelter cost. If tenants are receiving Housing and Urban Development (HUD) Section 8 subsidy assistance, their costs for rent and utilities will be determined by the current HUD formula.

You may file an appeal regarding the rate and utility allowance change as approved. An appeal must be received in the Regional Office no later than 30 calendar days after receipt of the adverse decision. The appeal should state what agency decision is being appealed and should include, if possible, a copy of the adverse decision and a brief statement of why the decision is wrong. A copy of the appeal request should be sent to the agency.

You must inform the tenants of their rights to request an explanation of the rate and utility allowance change approval decision within 45 days of the date of this notice by writing to Area Specialist, USDA Rural Development, William A. Smith, 150-D Chuck Yeager Way, Oroville, CA 95965. All tenants are required to pay the changed amount of rent (occupancy charge) as indicated in the notice of approval.

Any tenant who does not wish to pay the Rural Development approved rent changes may give the owner a 30-day notice that they will vacate. The tenant will suffer no penalty as result of this decision to vacate, and will not be required to pay the changed rent. However, if the tenant later decides to remain in the unit, the tenant will be required pay the changed rent from the effective date of the changed rent.

Please note: The items listed on 3560-7 under the reserve column in part V, is not an automatic pre-approval, you will still need to submit request for consideration.

Copies of the approved budget and management certification are attached.

Sincerely,

William A. Smith, Oroville Area Specialist Attachment

Cc: Management agent