

IN THE BOARD OF THE HOUSING AUTHORITY AND COMMUNITY SERVICES AGENCY
(HACSA) OF LANE COUNTY, OREGON

ORDER 96-7-2-9H In the Matter of Selling the HACSA-owned Kourt Street Site to River Kourt Apartments, Inc. to Allow for Its Development as HUD Section 811 Housing for People with Disabilities.

WHEREAS, the Housing Authority and Community Services Agency (HACSA) owns a site located at the corner of Kourt Street and River Road; and

WHEREAS, the Intergovernmental Housing Policy Board has recommended that HACSA make this site available for HUD Section 811 low-income housing for people with disabilities; and

WHEREAS, HACSA used a fair and open Request for Proposals process to determine a non-profit organization that desires to use this site for HUD Section 811 housing development; and

WHEREAS, as a result of this Request for Proposals process, the National Benevolent Association (NBA) was selected as a potential user of the HUD Section 811 Program and granted the site control necessary to apply for and obtain such funding; and

WHEREAS, the NBA has obtained such Section 811 funding and now wishes to exercise the option agreement in the name of the Owner Corporation (River Kourt Apartments, Inc.) established by HUD to receive project financing; and

WHEREAS, pursuant to ORS 456.115, a public housing authority may sell, lease, exchange, transfer, assign, pledge or dispose of any real or personal property or any interest therein.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

The Executive Director Is Authorized to Sell the Real Property Site Known as the Kourt Street Site (A Legal Description Is Provided in Attachment "A" and Hereby Incorporated by This Reference) to the River Kourt Apartments, Inc., According to the Terms and Conditions Provided in the Option Agreement (Included as Attachment "B") Entered into April 26, 1994 for the Purpose of Facilitating a HUD Section 811 Low-Income Housing Project and that the Executive Director is authorized to execute the documents necessary to effectuate such a sale.

FILED

JUL 09 1996

COUNTY CLERK

Pam DeWille

DATE this 2nd day of July 1996.

Bob Deen Sr.
Chair, HACSA Board of Commissioners

APPROVED AS TO FORM

Date: *6/24/96* Lane County

Jessie J. Webb
OFFICE OF LEGAL COUNSEL

ATTACHMENT "A"

LEGAL DESCRIPTION

Kourt Street Site

Beginning at a point in the center of Hamilton Avenue, said point being South 157.2 feet and South 89° 44' East 2685.25 feet from the Southwest corner of the Joseph Davis Donation Land Claim No. 48, in Township 17 south, Range 4 West, Willamette Meridian; run thence North 00° 02' 15" East 326.11 feet to the center of Kourt Drive; thence along the center of said Kourt Drive South 89° 53' East 238.28 feet to the center of River Road; thence along the center of River Road South 17° 03' East 245.33 feet; thence South 89° 56' West 217.11 feet; thence South 0° 16' West 91.25 feet to the center of Hamilton Avenue; thence along the center of Hamilton Avenue North 89° 44' West 92.89 feet to the point of beginning, all in said Township and Range, Lane County, Oregon;

EXCEPT that portion conveyed to Lane County by instrument recorded June 7, 1982, Reception No. 8216366, Lane County Oregon Records;

BOOK **157** PAGE **2340**

ATTACHMENT "B"

Option Agreement

OPTION TO PURCHASE REAL PROPERTY

Housing Authority and Community Services Agency (GRANTOR)

The National Benevolent Association of the Christian Church
(Disciples of Christ) (GRANTEE)

RECITALS

A. Grantor is the owner of a certain real property located in Lane County, Oregon, which is more particularly described on Exhibit A, attached hereto and by this reference made a part hereof (the Property).

B. Grantee is interested in purchasing all of the Property upon terms and conditions hereinafter stated, but wishes to further investigate the Property and feasibility of its purchase before finally committing itself to such a purchase. More specifically, Grantee wishes to apply to and receive from the Supportive Housing for Persons with Disabilities Capital Advance Program of the United States Department of Housing and Urban Development (HUD) to finance multifamily development for households with disabilities. Grantee requires site control to apply for to this Section 811 Capital Advance Program and, if successful in obtaining a Section 811 Fund Reservation, to proceed through Section 811 Program Processing.

The parties therefore agree as follows:

AGREEMENTS

1. *Grant of Option.* Grantor, for and in consideration of the sum of \$250.00 paid to Grantor by Grantee in cash, receipt of which is hereby acknowledged, hereby grants to Grantee the sole and exclusive option to purchase the Property, as described in attached Exhibit A, in the manner and for the price hereinafter stated.

2. *Duration of Option.*

2.1 Grantor understands that Grantee is obtaining this option for the purpose of applying to the Department of Housing and Urban Development's Section 811 Capital Advance Program (FY 1994) for a multi-family project for adults and families with developmental disabilities. To this end, the option may be exercised at any time according to the following schedule:

2.1.1 Grantee may exercise the option at any time prior to submitting an application for HUD Section 811 Capital Advance Program funding.

2.1.2 Grantee understands that Grantor intends this site for a HUD Section 811 development. If Grantee receives notice that its application did not receive a 1994 Section 811 Fund Reservation, or if for any reason, the Grantee becomes ineligible to obtain Section 811 Capital Advance financing, this Agreement shall terminate.

2.2.3 Unless terminated under the provisions of Section 2.1.2 above, the duration of the Option shall be through the HUD processing stage, "Initial Closing," or January 1996, whichever is earliest.

3. *Failure to Exercise Option.* If Grantee fails for any reason to exercise this option in the manner set forth below, Grantee shall have no further claim against or interest in the Property or against or in any of the money paid for the option or any extension thereof, and all of such money shall remain the property of Grantor who shall have no further obligation to Grantee. Further, in the event of such failure to exercise, Grantee will cooperate in providing Grantor with any instruments which Grantor may reasonably deem necessary or advisable to be obtained from Grantee for the purpose of removing from the public record any cloud on Grantor's title to the Property which is attributable in any manner to the grant or existence of this option.

4. *Exercise and Scope of Option.*

4.1 This option shall be exercised if at all by written notice given by Grantee to Grantor at any time during the original or any extended option period, which notice shall specify that Grantee has elected to exercise this option.

4.2 This option may be exercised only with respect to the entirety of the Property, and nothing contained herein shall be construed as permitting Grantee to purchase less than all of the Property pursuant to this option.

4.3 Upon exercise of this option, Grantee shall be obligated to purchase the Property from Grantor, and Grantor shall be obligated to sell the Property to Grantee, for the price and in the manner hereinafter set forth.

5. *Rights for Duration of Option.*

5.1 During the original and any extended option period, Grantee shall be entitled to go upon the Property for the purpose of making or conducting any inspection, investigation, test or survey reasonably relative to Grantee's decision to purchase the Property or to Grantee's prospective use thereof, provided only that all such activities shall

be without expense to Grantor. Grantee shall not interfere with or disturb the rights of any tenants of Grantor in possession of any portion of the Property or of any mortgagees or contract vendors thereof. Grantee shall protect, defend and hold harmless Grantor from any loss, liability or damage to persons or property arising out of or related to Grantee's activities on the Property.

5.2 If Grantee fails to exercise this option and purchase the Property, Grantee shall fully compensate Grantor for any physical damage to the Property or lien, encumbrance or charge thereon attributable to Grantee's activities with respect thereto. Grantee hereby accepts the obligation to return the property as near to its original condition as reasonably possible, and will remedy any dangerous or hazardous conditions that occur as a result of inspections, investigations, or tests.

5.3 During the original and any extended option period, Grantor shall cooperate in all reasonable respects with Grantee's efforts to inspect, investigate, test and survey the Property. Grantor warrants that no tenants, mortgagees, or contract vendors have rights in or to the Property which would prevent or unreasonably interfere with Grantee's performance of said tests, surveys and staking of the Property in a reasonable manner.

5.4 Grantee will provide Grantor with copies of any and all reports, surveys or tests arising out of the inspections, investigations, tests, or surveys.

6. *Size of Parcel* Although Grantor believes that the Property contains 56,007 square feet and has so represented to Grantee, neither party considers the precise size of the parcel contained in the Property to be material to the purchase. In no event shall either party have any right to cancel because of a discrepancy between actual and estimated acreage, unless such discrepancy (in Grantee's sole discretion) makes the development of the property as contemplated by Grantee infeasible.

7. *Purchase Price; Payment.*

If Grantee exercises this option, the purchase price for the Property shall be determined as follows:

7.1 The purchaser shall, at purchaser's expense, obtain an appraisal of the site based on its condition at the time of the appraisal (Grantee appraisal). The purchase price shall be set at the appraised price.

If Grantor disagrees with the price as determined by the Purchaser appraisal, Grantor may, at Grantor's expense, obtain a second appraisal (Grantor appraisal). If the

two appraisals are less than 10 percent apart, the purchase price shall be the average appraised price of the two appraisals.

If the two appraisals are more than 10 percent apart and either Grantor and Grantee do not wish to accept the determination of price established by the Grantor appraisal, then the Grantee and Grantor will mutually agree on a third appraiser. The appraisal price as established by this third appraisal will determine the purchase price. If prior to closing on this Property the amount approved by HUD is below the purchase price as established in this paragraph by more than fifteen percent (15%), unless the parties agree to otherwise Grantee may terminate this agreement, and it shall have no further obligations hereunder except as provided in paragraph 3 above.

7.2 The purchase price for the Property shall be payable as follows:

(a) Grantee shall be given credit for the \$250.00 paid by Grantee upon execution hereof and for such additional amounts as may be paid by Grantee to Grantor upon exercise of the option or for extensions of the option period as provided hereinabove;

(b) The entire balance of the purchase price shall be paid in cash upon closing.

8. *Closing.*

8.1 The purchase of the Property shall be closed in escrow at a location determined by Grantor, and the costs of escrow shall be shared equally by the parties.

8.2 Closing shall occur as soon as possible following exercise of this option by Grantee and, in any event, not later than the 30th day following the date of exercise of this option.

8.3 At closing, Grantor shall deliver to Grantee a duly executed and acknowledged bargain and sale deed conveying the Property to Grantee. The property will have the limitations as described on the attached Exhibit B.

8.4 At closing, Grantee shall pay to Grantor in cash the entire amount of the purchase price over and above the credits described in paragraph 7.3(a) above, its share of closing costs (excluding title insurance), and Grantee's pro rata share of items required to be prorated under paragraph 8.6 below.

8.5 At or prior to closing, Grantor shall pay the unpaid principal and accrued interest of any liens and encumbrances on the Property necessary to be paid in order to permit issuance of the title insurance policies referred to below, and Grantee

understands that any such payments may be made out of the funds paid by it to Grantor at closing.

8.6 Taxes, utilities, premiums for any existing policies of insurance assumed by Grantee, and the current portion of assessments for governmental or quasi-governmental improvements, if any, shall be prorated between the parties as of the date of closing.

8.7 The transaction shall be closed when a title insurance company of the Grantor's choosing is in a position to insure title to the Property as provided in paragraph 8.8 below. It shall be Grantor's responsibility to arrange for the issuance of such title insurance, which shall be at Grantor's expense.

8.8 Grantee shall be entitled to a standard owner's policy of title insurance insuring title in Grantee subject only to the standard printed exceptions and the additional exceptions as are listed in Exhibit "B". Promptly following exercise of this option, Grantor shall make available to Grantee a preliminary title report on the Property. Grantee shall have sixty (60) days from its receipt of such preliminary report to determine whether any of the exceptions are acceptable to it and to notify Grantor in writing of its acceptance of such exceptions. If any such exceptions are not acceptable to Grantee, Grantor shall have sixty (60) days in which to notify Grantee of its decision whether to correct such exceptions. If Grantor elects not to correct, or if Grantor fails to notify Grantee of its intention to correct such title matters, Grantee may in writing waive its objections. If grantee fails to waive its objections, then this agreement shall terminate, and the parties shall have no further obligations hereunder except as provided in paragraph 3 above.

9. *Real Estate Status.* Grantee understands that it is the responsibility of the Grantee to make determinations about the taxable status of this property and about land use status, both as to their present and future status, should Grantee decide to purchase this property.

10. *Assignment; Successors.* All of the terms, provisions and conditions hereof shall be binding upon and inure to the benefit of the successors and assigns of the respective parties, provided, that if Grantee assigns this option, (a) it be done so only for the express purpose of fulfilling the requirements of HUD Section 811 financing; and (b) immediate written notice of such assignment shall be given to Grantor.

11. *Notices.* Any notice given with respect hereto, whether or not required to be given shall be deemed given when actually delivered or when deposited in the United States registered or certified mails, return receipt requested, in an envelope addressed as below set forth or to such other address as either party may hereafter specify by notice to the other.

Notice to Grantee: Mr. Frank Hungerford
National Benevolent Association
11780 Borman Drive, Suite 200
St. Louis, Mo. 63146

Notice to Grantor: Attn: Chris Todis
Housing Authority and Community Services Agency
177 Day Island Road
Eugene, Oregon 97401

12. *Default.* If either party shall fail or refuse to carry out any provision hereof, the other party shall be entitled to such remedy or remedies for breach of contract as may be available under applicable law, including without limitation the remedy of specific performance, if such other party has fully performed all of its obligations hereunder.

13. *Attorney Fees.* In any suit or action brought upon or arising out of this agreement, and upon any appeal thereof, the losing party agrees to pay the prevailing party's reasonable attorney fees to be fixed by the trial and appellate courts respectively.

14. *Contingencies.* Notwithstanding anything herein to the contrary, the closing of the purchase hereunder shall be expressly contingent upon the satisfaction of the following matters:

14.1 Grantee, or an organization sponsored by Grantee, will submit to HUD an application to develop housing on the Property under Section 811 of the Fair Housing Act within one year of the date of this agreement. The Closing of the sale under this Agreement is expressly conditioned upon the receipt by an organization (yet to be formed which will be sponsored by the Grantee) of a Capital Advance paid by HUD under Section 811 of the Fair Housing Act in order to purchase the Property. IF the Closing of the sale hereunder does not occur because of the inability of the Grantee to obtain a Capital Advance, this Agreement shall terminate, and the option price shall be retained by the Grantor.

14.2 The Closing of the sale hereunder is expressly conditioned upon Grantee obtaining final approval for the development of the project as contemplated, which approvals may include, among other things, approval for the subdivision of the Property, from all municipal, county, state, or local authorities having jurisdiction over the Property, and the Property being rezoned so as to allow the Grantee to construct a multifamily residential facility as contemplated by the Grantee.

14.3 The closing of the sale hereunder is expressly conditioned upon the receipt by Grantee of a phase one environmental audit showing nothing to indicate the

presence, or possible presence, of any Hazardous Substances (as hereinafter defined). The environmental audit will be of sufficient scope that it will constitute an appropriate inquiry into the environmental conditions, history, and present and past activities on the Property and improvements. For the purposes of this Agreement, "Hazardous Substances" means substances, conditions, materials, or structures (including, but not limited to, hazardous substances, toxic substances, hazardous wastes, solid wastes, petroleum, asbestos, and underground storage tanks) which may support a claim or course of action, either legal, equitable, or administrative, by any party under any federal, state, or local environmental statute, regulation, or ordinance.

15. *Grantor's Warranties and Representations.* Grantor warrants and represents as follows:

15.1 That as of the date of this Agreement and the Closing Date, Grantor has and will have full and complete title to the Property and has and will have full authority to execute this Agreement to sell the Property to the Grantee and to complete the transaction herein described.

15.2 That the Property is not listed in the National Register of Historic Places under the National Historic Preservation Act or listed as historic under any other federal, state, or local law, statute, or ordinance (other than zoning ordinances) restricting the use of the Property and that Grantor has received no communication from any source that it is being contemplated that the Property will be so designated.

15.3 That the Property does not contain a cemetery or any burial site whatsoever.

IN WITNESS WHEREOF, the parties have executed this instrument on or as of the day and year first written above.

Mr. Frank Hungerford
National Benevolent Association
of the Christian Church
(Disciples of Christ (Grantee))

Date

Chris Todis, Executive Director
Housing Authority and Community Services Agency (Grantor)

April 26, 1994

Date

Exhibit "A"
Legal Description

Beginning at a point in the center of Hamilton Avenue, said point being South 157.2 feet and South 89° 44' East 2685.25 feet from the Southwest corner of the Joseph Davis Donation Land Claim No. 48, in Township 17 south, Range 4 West, Willamette Meridian; run thence North 00° 02' 15" East 326.11 feet to the center of Kourt Drive; thence along the center of said Kourt Drive South 89° 53' East 238.28 feet to the center of River Road; thence along the center of River Road South 17° 03' East 245.33 feet; thence South 89° 56' West 217.11 feet; thence South 0° 16' West 91.25 feet to the center of Hamilton Avenue; thence along the center of Hamilton Avenue North 89° 44' West 92.89 feet to the point of beginning, all in said Township and Range, Lane County, Oregon;

EXCEPT that portion conveyed to Lane County by instrument recorded June 7, 1982, Reception No. 8216366, Lane County Oregon Records;

OPTION TO PURCHASE REAL PROPERTY
(AMENDED)
BOOK 157 PAGE 2349

Housing Authority and Community Services Agency (GRANTOR)

The National Benevolent Association of the Christian Church
(Disciples of Christ) (GRANTEE)

RECITALS

A. Grantor provided an Option to Purchase Real Property to Grantee dated April 26, 1994 for a certain real property located in Lane County, Oregon, which is more particularly described on Exhibit A, attached hereto and by this reference made a part hereof (the Property).

B. Grantee is interested in extending the duration of this Option Agreement in order to obtain financing from the Supportive Housing for Persons with Disabilities Capital Advance Program of the United States Department of Housing and Urban Development (HUD) to provide multifamily development for households with disabilities. Grantee requires site control to proceed through Section 811 Program Processing.

The parties therefore agree as follows:

AGREEMENTS

1. *Extension of Term of Option.* Grantor hereby amends Section 2.2.3 of the Option Agreement to read as follows:

2.2.3 Unless terminated under the provisions of Section 2.1.2 above, the duration of the Option shall be through the HUD processing stage, "Initial Closing," or September 30, 1996, whichever is earliest.

2. *Other Terms and Conditions.* All other terms and conditions of the original Option Agreement shall remain in effect.

**PHA/IHA Board Resolution/Approving
Operating Budget or Calculation of
Performance Funding System
Operating Subsidy**

ORDER 96-7-2-104

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

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OMB Approval No. 2577-0026 (Exp. 10/31/97)

Reporting Burden for this collection of information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600 and to the Office of Management and Budget, Paperwork Reduction Project (2577-0026), Washington, D.C. 20503. Do not send this completed form to either of the above addressees.

Acting on behalf of the Board of Commissioners of the below-named Public Housing Agency (PHA)/Indian Housing Authority (IHA), as its Chairman, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

(date)

- Operating Budget Submitted on: June 21, 1996 (attached)
- Operating Budget Revision Submitted on: _____
- Calculation of Performance Funding System Submitted on: June 21, 1996 (attached)
- Revised Calculation of Performance Funding System Submitted on: _____

I certify on behalf of the: (PHA/IHA Name) Housing Authority and Community Services Agency of Lane County, Oregon that:

1. All regulatory and statutory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditures are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The calculation of eligibility for Federal funding is in accordance with the provisions of the regulations;
6. All proposed rental charges and expenditures will be consistent with provisions of law;
7. The PHA/IHA will comply with the wage rate requirements under 24 CFR 968.110(e) and (f) or 24 CFR 905.120(c) and (d);
8. The PHA/IHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i) or 24 CFR 905.120(g); and
9. The PHA/IHA will comply with the requirements for the reexamination of family income and composition under 24 CFR 960.209, 990.115 and 905.315.

FILED

JUL 09 1996

COUNTY CLERK
BY Pam DeWille

APPROVED AS TO FORM

Date 6/24/96 Lane County

Lorace Spill
OFFICE OF LEGAL COUNSEL

I hereby certify that all the information stated within, 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)

Board Chairman's Name (type) Bobby Green, Sr.	Signature: <u>Bobby Green Sr.</u>	Date: 7-2-96
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Public reporting burden for this collection of information is estimated to average 116 hours 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. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600 and to the Office of Management and Budget, Paperwork Reduction Project (2577-0026), Washington, D.C. 20503. Do not send this completed form to either of the above addressees.

Type of Submission <input checked="" type="checkbox"/> Original <input checked="" type="checkbox"/> Revision No.: 1 -	b. Fiscal Year Ending 09/30/97	c. No. of months (check one) <input checked="" type="checkbox"/> 12 mo. <input type="checkbox"/> Other (specify) _____	d. Type of HUD assisted project(s) 01 <input checked="" type="checkbox"/> PHA/IHA-Owned Rental Housing 02 <input type="checkbox"/> IHA Owned Mutual Help Homeownership 03 <input type="checkbox"/> PHA/IHA Leased Rental Housing 04 <input type="checkbox"/> PHA/IHA Owned Turnkey III Homeownership 05 <input type="checkbox"/> PHA/IHA Leased Homeownership
Name of Public Housing Agency / Indian Housing Authority (PHA/IHA) Housing Authority and Community Services Agency of Lane County, Oregon			
Address (city, state, zip code) 177 Day Island Road Eugene, OR 97401			
ACC Number SF-196	h. PAS / LOCCS Project No. OR00600195S		i. HUD Field Office Portland, Oregon

No. of Dwelling Units 704	k. No. of Unit Months Available 8,448	m. No. of Projects 15	
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Line No.	Acct. No.	Description (1)	Actuals Last Fiscal Yr. 19 95 PUM (2)	<input checked="" type="checkbox"/> Estimates or Actual Current Budget Yr. 19 96 PUM (3)	Requested Budget Estimates			
					PHA/IHA Estimates		HUD Modifications	
					PUM (4)	Amount (to nearest \$10) (5)	PUM (6)	Amount (to nearest \$10) (7)
Homebuyers Monthly Payments for:								
10	7710	Operating Expense						
20	7712	Earned Home Payments						
30	7714	Nonroutine Maintenance Reserve						
40	Total Break-Even Amount (sum of lines 010, 020, and 030)							
50	7716	Excess (or deficit) in Break-Even						
60	7790	Homebuyers Monthly Payments - Contra						
Operating Receipts								
70	3100	Dwelling Rental	135.30	141.62	133.04	1,123,920		
80	3120	Excess Utilities						
90	3190	Nondwelling Rental						
00	Total Rental Income (sum of lines 070, 080, and 090)		135.30	141.62	133.04	1,123,920		
10	3610	Interest on General Fund Investments	4.28	2.55	3.37	28,390		
20	3690	Other Income	7.52	6.35	8.28	69,900		
30	Total Operating Income (sum of lines 100, 110, and 120)		147.10	150.52	144.68	1,222,210		
Operating Expenditures - Administration:								
40	4110	Administrative Salaries	57.86	65.56	65.46	553,000		
50	4130	Legal Expense	.54	.30	.48	4,000		
60	4140	Staff Training	.31	.30	.18	1,500		
70	4150	Travel	.62	.47	.60	5,000		
80	4170	Accounting Fees						
90	4171	Auditing Fees	.49	.53	.83	7,000		
00	4190	Other Administrative Expenses	15.67	15.39	14.86	125,500		
10	Total Administrative Expense (sum of line 140 thru line 200)		75.49	82.55	82.39	696,000		
Tenant Services:								
20	4210	Salaries	1.34	1.78	1.98	16,700		
30	4220	Recreation, Publications and Other Services	.20	.12	.12	1,000		
40	4230	Contract Costs, Training and Other	.06	.12	.12	1,000		
50	Total Tenant Services Expense (sum of lines 220, 230, and 240)		1.60	2.02	2.22	18,700		
Utilities:								
60	4310	Water	13.35	15.51	16.10	136,000		
70	4320	Electricity	6.81	6.61	6.86	57,940		
80	4330	Gas	1.62	1.42	1.34	11,240		
90	4340	Fuel	5.86	3.96	4.27	35,990		
00	4350	Labor						
10	4390	Other utilities expense	1.52					
20	Total Utilities Expense (sum of line 260 thru line 310)		29.16	27.50	28.55	241,170		

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Line No.	Acct. No.	Description (1)	Actuals Last Fiscal Yr. 95 PUM (2)	<input checked="" type="checkbox"/> Estimates <input type="checkbox"/> or Actual Current Budget Yr. 19 96 PUM (3)	Requested Budget Estimates			
					PHA/HA Estimates		HUD Modifications	
					PUM (4)	Amount (to nearest \$10) (5)	PUM (6)	Amount (to nearest \$10) (7)
Ordinary Maintenance and Operation:								
330	4410	Labor	35.15	34.93	38.20	322,700		
340	4420	Materials	16.36	15.39	16.58	140,000		
350	4430	Contract Costs	23.89	25.57	24.86	210,000		
360		Total Ordinary Maintenance & Operation Expense (lines 330 to 350)	75.40	78.89	79.64	672,700		
Protective Services:								
370	4460	Labor	2.31	3.16	3.33	28,100		
380	4470	Materials						
390	4480	Contract costs						
400		Total Protective Services Expense (sum of lines 370 to 390)	2.31	3.16	3.33	28,100		
General Expense:								
410	4510	Insurance	5.74	5.92	4.15	35,000		
420	4520	Payments in Lieu of Taxes	10.48	11.41	10.45	88,280		
430	4530	Terminal Leave Payments						
440	4540	Employee Benefit Contributions	43.27	47.47	49.82	420,800		
450	4570	Collection Losses	2.06	1.78	2.37	20,000		
460	4590	Other General Expense						
470		Total General Expense (sum of lines 410 to 460)	61.55	66.58	66.79	564,080		
480		Total Routine Expense (sum of lines 210, 250, 320, 360, 400, and 470)	245.52	257.69	262.88	2,220,750		
Rent for Leased Dwellings:								
490	4710	Rents to Owners of Leased Dwellings						
500		Total Operating Expense (sum of lines 480 and 490)	245.52	257.69	262.88	2,220,750		
Nonroutine Expenditures:								
510	4610	Extraordinary Maintenance	5.02	5.68	4.68	39,500		
520	7520	Replacement of Nonexpendable Equipment	.12					
530	7540	Property Betterments and Additions						
540		Total Nonroutine Expenditures (sum of lines 510, 520, and 530)	5.14	5.68	4.68	39,500		
550		Total Operating Expenditures (sum of lines 500 and 540)	250.66	263.37	267.56	2,260,250		
Prior Year Adjustments:								
560	6010	Prior Year Adjustments Affecting Residual Receipts*						
Other Expenditures:								
570		Deficiency in Residual Receipts at End of Preceding Fiscal Yr.						
580		Total Operating Expenditures, including prior year adjustments and other expenditures (line 550 plus or minus line 560 plus line 570)	250.66	263.37	267.56	2,260,250		
590		Residual Receipts (or Deficit) before HUD Contributions and provision for operating reserve (line 130 minus line 580)	(103.56)	(112.85)	(122.88)	(1,038,040)		
HUD Contributions:								
600	8010	Basic Annual Contribution Earned - Leased Projects: Current Year						
610	8011	Prior Year Adjustments - (Debit) Credit						
620		Total Basic Annual Contribution (line 600 plus or minus line 610)						
630	8020	Contributions Earned - Op. Sub: - Cur. Yr. (before year-end adj)	108.91	112.81	122.90	1,038,187		
640		Mandatory PFS Adjustments (net):	3.42					
650		Other (specify):						
660		Other (specify):						
670		Total Year-end Adjustments/Other (plus or minus lines 640 thru 660)	3.42					
680	8020	Total Operating Subsidy-current year (line 630 plus or minus line 670)	112.33	112.81	122.90	1,038,187		
690		Total HUD Contributions (sum of lines 620 and 680)	112.33	112.81	122.90	1,038,187		
700		Residual Receipts (or Deficit) (sum of line 590 plus line 690) Enter here and on line 810	8.77	(.04)	.02	147		

BOOK **157** PAGE **2354**

Operating Reserve County, Oregon

PHA/IHA Estimates

HUD Modifications

Part I - Maximum Operating Reserve - End of Current Budget Year

40	1	PHA / IHA-Leased Housing - Section 23 or 10(c) 50% of Line 480, column 5, form HUD-52564	1,110,375	
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Part II - Provision for and Estimated or Actual Operating Reserve at Fiscal Year End

80		Operating Reserve at End of Previous Fiscal Year - Actual for FYE (date): 9/30/95	640,384.44	
90		Provision for Operating Reserve - Current Budget Year (check one) <input checked="" type="checkbox"/> Estimated for FYE 9/30/96 <input type="checkbox"/> Actual for FYE	62,195.00	
100		Operating Reserve at End of Current Budget Year (check one) <input checked="" type="checkbox"/> Estimated for FYE 9/30/96 <input type="checkbox"/> Actual for FYE	702,579.44	
110		Provision for Operating Reserve - Requested Budget Year Estimated for FYE Enter Amount from line 700	147.00	
120		Operating Reserve at End of Requested Budget Year Estimated for FYE (Sum of lines 800 and 810)	702,726.44	
130		Cash Reserve Requirement - <u>20</u> % of line 480 63.3%	444,150.00	

For use:

PHA / IHA Approval

Name Larry A. Abel

Title Acting Executive Director

Signature *Larry A. Abel*

Date 6/21/96

Field Office Approval

Name _____

Title _____

Signature _____

Date _____

Instructions for Preparing Form HUD-52564, Operating Budget

Separate Operating Budgets must be prepared for each separate Annual Contributions Contract (ACC). However, the supporting documentation can be combined for each Turnkey III project within an ACC, provided it clearly separates the cost by program and/or ACC number. Prepare all of the supporting documentation (Forms HUD-52573, HUD-52566 and HUD-52571) prior to finalizing the Operating Budget.

The headings for items a. through m. are self-explanatory.

Columns:

Column (2): Obtain actual P.U.M. amounts from the Statement(s) of Operating Receipts and Expenditures (Form HUD-52599) for the year preceding the current budget year.

Column (3): Include the actual (if available) or estimated PUM amounts for the current budget year.

Columns (4) and (5): Enter amounts on applicable lines from HUD Schedules and/or HA worksheets in column (5). After completing column (5) compute the P.U.M. amounts for Column (4) by dividing each figure in Column (5) by the No. of Unit Months of Availability, item k.

Columns (6) and (7): Leave blank. If HUD modifies the HA estimates as a condition for approval, HUD will complete these columns and return a copy to the HA.

Line Items

Lines 010 through 060 are specific to the Turnkey III Owned Homeownership Program. These lines correspond to accounts 7710 through 7790, see Accounting Handbook 7510.1.

Line 460: Use this line, if applicable, for showing estimated interest on Administrative and Sundry Loans.

Line 490: This line is specific to the Section 23, Leased Rental Program.

Line 560: Use this line, if applicable, only in connection with budget revisions.

Line 570: Use this line, if applicable, for such items as carry-overs of unabsorbed deficiencies in residual receipts from prior years.

Line 630: Operating Subsidy Eligibility for the requested year before year end adjustments.

Lines 640 to 660: Year end adjustments to be funded in the requested budget year.

Line 700: An estimated decrease cannot be more than the amount available in the operating reserve at the beginning of the requested budget year (line 800).

BOOK 157 PAGE 2355

Special Instructions, Budget Revisions

Budget revisions must be approved by the end of the PHA fiscal year.

When using this form for budget revisions, the following additional instructions are applicable:

No changes are to be made to Column (2) or Column (3).

No changes are to be made in the amount for Operating Subsidy Eligibility before year end adjustments (Line 630, or in Part I-Maximum Operating Reserve-End of Current Budget Year.

Operating Reserves

Operating reserves are calculated by individual Annual Contributions Contract except that the operating reserves for Section 23 Leased Housing Projects, Turnkey III Homeownership Projects (HA Owned or Leased) must be separately calculated and reported by project.

Line 780: Enter amount as of the last previous fiscal year (year preceding current budget year).

Line 790:

a. Enter estimated amount, if original budget, or actual amount, if revised budget.

b. Enter negative balance in parentheses. (The negative balance may not exceed the amount on line 780.)

Line 800: Enter sum of lines 780 and 790.

Line 810:

a. Enter estimated amount.

b. Enter negative balance in parentheses. (The negative balance may not exceed the amount on line 800.)

Line 820: Enter sum of lines 800 and 810.

Line 830: Enter percent of routine operating expenses (or minimum dollar amount) currently used by HUD as a performance measure to evaluate the cash requirements and/or operating reserve adequacy.

Calculation of Performance
 Funding System Operating Subsidy
 PHA/HA-Owned Rental Housing

U.S. Department of Housing
 and Urban Development
 Office of Public and Indian Housing

OMB Approval No. 2577-0029 (exp. 7/31/96)

Public Reporting Burden for this collection of information is estimated to average 2.5 hours 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. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600 and to the Office of Management and Budget, Paperwork Reduction Project (77-0029), Washington, D.C. 20503. Do not send this completed form to either of the above addressees.

Name and Address of Public Housing Agency / Indian Housing Authority: (PHA/IHA)

Housing Authority and Community Services Agency of Lane County, Oregon
 177 Day Island Road
 Eugene, OR 97401

Budget submission to HUD required

Type of Submission:

Original

Revision No: _____

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Number of HA Units	Unit Months Available: (UMAs)	Subject Fiscal Year:	ACC Number:	PAS/LOCCS Project No:	Submission Date:
704	8,448	9/30/97	SF 196	0 R 0 0 6 0 0 1 9 6 8 4	June 21, 1996

Line No.	Description	Requested by PHA/IHA (PUM)	HUD Modifications (PUM)
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Part A. Allowable Expenses and Additions

	Previous allowable expense level (line 07 of form HUD-52723 for previous fiscal year)	233.39	
a	Line 01 multiplied by .005	1.17	
b	Delta from form HUD-52720-B, if applicable (see instructions)		
	*"Requested" year units from latest form HUD-52720-A(see instructions)		
	Add-ons to allowable expense level from previous fiscal year (see instructions)		
	Total of lines 01, 02a, 02b, and 04	234.56	
	Inflation factor	1.036	
	Revised allowable expense level (AEL)(line 05 times line 06)	243.00	
a	Transition Funding		
b	Increase to AEL		
	Allowable utilities expense level from form HUD-52722-A	28.55	
	<input type="checkbox"/> Actual or <input checked="" type="checkbox"/> Estimated PUM cost of Independent Audit (IA) during subject fiscal year	.83	
	Costs attributable to deprogrammed units		
	Total Allowable Expenses and Additions (sum of lines 07 thru 10)	272.38	

Part B. Dwelling Rental Income

	Total rent roll (as of 5 / 1 / 95)	\$ 95,596	
	Number of occupied units as of rent roll date	697	
	Average monthly dwelling rental charge per unit (line 12 divided by line 13)	137.15	
	Change factor	1.	1.
	Projected average monthly dwelling rental charge per unit (line 14 times line 15)	137.15	
	Projected occupancy percentage (see instructions)	97	%
	Projected average monthly dwelling rental income per unit (line 16 times line 17)	133.04	

Part C. Non-dwelling Income

	Estimated Investment Income (EII)	3.36	
	Other income	3.41	
	Total non-dwelling income (line 19 plus line 20)	6.77	
	Total operating receipts (line 18 plus line 21)	139.81	
	PUM deficit or (Income) (line 11 minus line 22)	132.57	
		Requested by PHA/IHA (Whole dollars)	HUD Modifications (Whole dollars)
	Deficit or (Income) before add-ons (line 23 times UMAs shown in heading)	1,119,951	

Part D. Add-ons for changes in Federal law or regulation and other eligibility

	FICA contributions		
	Unemployment compensation		
	Flood insurance premiums		
	Total Other (specify in Remarks section) Family Self-Sufficiency Coordinator	46,551	
3a	Add-on for Family Self Sufficiency Program		
3b	Other Add-ons for Federal law or regulations		
3c	Unit reconfiguration		
3d	Non-dwelling units		
3e	Other approved, not Federal law or regulation		
	Total add-ons (sum of lines 25 thru 28)	46,551	

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Part E. Calculation of Operating Subsidy Eligibility Before Year-End Adjustments		
1	Deficit or (income) before year-end adjustments (total of lines 24 and 29)	1,166,502
2	<input type="checkbox"/> Actual or <input checked="" type="checkbox"/> Estimated cost of Independent Audit (IA) during subject fiscal year	7,000
2	PFS operating subsidy eligibility before year-end adjustments (greater of line 30 or line 31) (If less than zero, enter zero (0))	1,166,502

Part F. Calculation of Operating Subsidy Approvable for Subject Fiscal Year (Note: Do not revise after the end of the subject FY)		
3	Prior years' net year-end adjustments (identify individual FYs and amounts under "Remarks")	
4	Additional subject fiscal year operating subsidy eligibility (specify)	
5	Overobligations from prior fiscal years to be recovered in subject fiscal year	() ()
6	Unfunded eligibility in prior fiscal years to be obligated in subject fiscal year	
7	Other (specify) <u>Unfunded Subsidy - 11%</u>	(128,315)
8	Other (specify)	
9	Other (specify)	
10	Unfunded portion due to proration	
11	Operating subsidy approvable for subject fiscal year (total of lines 32 thru 40)	1,038,187

HUD Use Only (Note: Do not revise after the end of the subject FY)		
13	Amount of operating subsidy approvable for subject fiscal year not funded	()
14	Amount of funds obligated in excess of operating subsidy approvable for subject fiscal year	
15	Funds obligated in subject fiscal year (total of lines 41 thru 44) (Must be the same as line 690 of the Operating Budget, form HUD-52564, for the subject fiscal year)	

Part G. Memorandum of Amounts Due HUD, Including Amounts on Repayment Schedules		
16	Total amount due in previous fiscal year (line 49 of form HUD-52723 for previous fiscal year)	() ()
17	Total amount to be collected in subject fiscal year (identify individual amounts under "Remarks")	
18	Total additional amount due HUD (include any amount entered on line 44) (Identify individual amounts under "Remarks")	
19	Total amount due HUD to be collected in future fiscal year(s) (Total of lines 46 thru 48) (Identify individual amounts under "Remarks")	

Part H. Calculation of Year-end Adjustment for Subject Fiscal Year This part is to be completed only after the subject fiscal year has ended		
50	Indicate the types of adjustments that have been reflected on this form: <input type="checkbox"/> Utility Adjustment <input type="checkbox"/> Target Investment Income (TII) Adjustment <input type="checkbox"/> Adjustment of Independent Audit (IA) Cost <input type="checkbox"/> Unit Months Available (UMAs) <input type="checkbox"/> Dwelling Rental Income <input type="checkbox"/> Add-ons <input type="checkbox"/> Other (specify under "Remarks")	
51	Estimated Investment Income (EII)	
52	Target Investment Income (TII)	
53	TII adjustment (line 51 minus line 52)	
54	Utility adjustment (line 22, form HUD-52722-B)	
55	Combined utility and TII adjustment (total of lines 53 and 54)	
56	Deficit or (Income) after year-end adjustments (total of lines 30 and 55)	
57	PFS operating subsidy eligibility after year-end adjustments (greater of line 31 or line 56)	
58	Line 32 of latest form HUD-52723 approved during subject FY (Do not use line 32 of this revision)	
61	Net year-end adjustment for subject fiscal year (line 57 minus line 58)	
62	Unfunded portion due to proration	
63	Prorated net year-end adjustment for subject fiscal year	

I hereby certify that 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)

Signature of Authorized HA Representative & Date: <i>Jerry A. Abel</i> 6/21/96	Signature of Authorized Field Office Representative & Date: X
Remarks	