

ILLINOIS REGISTER

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

NOTICE OF ADOPTED RULES

Section 375.APPENDIX A Notice of Intent to Terminate Subsidy

Where a provision of the Preservation Act requires that notice be given to the tenants of an assisted housing development and to affected public entities, the format of the notice shall be as follows:

NOTICE OF INTENT TO TERMINATE SUBSIDY

Name of Property: _____

Address of Each Building Included in Property: _____

Owner: _____

Property Description: _____

Number of Occupied Units: _____

Anticipated Date of Sale or Other Action: _____

Affordability Restrictions: _____

Owner/Contact Information: _____

THIS IS NOT AN EVICTION NOTICE. It is a notice to advise all tenants in the property identified above that one of the following actions with respect to the above property will take place on the date referenced above:

- (i) the sale or other disposition of the property;
- (ii) the prepayment or refinancing of a federally insured or federally held mortgage secured by the property;
- (iii) the termination of the property's participation in a federal subsidy program for assisted housing.

One or all of these actions may have the effect of terminating the affordability restrictions noted above.

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This notice is to advise you that the Federally Assisted Housing Preservation Act [310 ILCS 60] gives you certain rights. Tenants living on the property may form a tenants association and negotiate with the owner to purchase the property, subject to certain restrictions. Tenants may also enter into an agreement with a not-for-profit corporation or other entity to represent them in negotiations with the owner. If the negotiations are successful, the tenants association can buy the property. A more detailed discussion of the provisions of the law is attached to this notice as Exhibit A.

If you have any questions with regard to this notice, please contact the following individual at the number listed:

Dated: _____

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NOTICE OF ADOPTED RULES

Section 375.EXHIBIT A Delivery of Notice to Tenants and Affected Public Entities

- a) Where a provision of the Preservation Act requires that notice be given to tenants of the Assisted Housing Development and affected public entities, the requirements may be met by transmitting the notice described in subsection (b) by one of the following methods:
 - 1) delivering the notice, by certified mail or registered mail, return receipt requested, postmarked at least 12 months prior to the anticipated date of the action covered by the notice, to the following public persons or entities:
 - A) the mayor of the city or village in which the Assisted Housing Development is located or, if in an unincorporated area, the chairperson of the county board;
 - B) the public housing agency in whose jurisdiction the Assisted Housing Development is located, if any;
 - C) the Executive Director of IHDA; and
 - D) the federal agency providing mortgage loan insurance, subsidies or financing for the property, if any;
 - 2) delivering the notice to all affected tenants by certified or registered mail, return receipt requested, postmarked at least 12 months prior to the anticipated date of the covered action;
 - 3) posting, at least 12 months prior to the anticipated date of the covered action, a copy of the notice in a readily accessible location within each affected building; and
 - 4) publication of the notice in a newspaper for the locality in which the property is located.
- b) The text of the notice shall read as follows:

NOTICE TO TENANTS AND AFFECTED PUBLIC ENTITIES

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The federally Assisted Housing Preservation Act (the Act) affects rental housing developments that have received subsidies from the federal government under various federal housing programs. Generally, these programs limit the amount of rent that owners can charge tenants. The Act refers to these limits as "affordability restrictions."

The Act requires owners of these developments to give tenants notice at least 12 months in advance of any of the following events:

- The sale or other disposition of the development, which has the effect of removing the affordability restrictions on the development;
- The prepayment of the existing mortgage, on the development, or the termination of the mortgage insurance on the mortgage, if either of those actions would result in removing the affordability restrictions on the development; or
- The termination of the development's participation in the federal program. One example is the termination of rental subsidies under the so-called Section 8 program.

You have received this notice because the owner of your development may take one of these actions. The Act gives tenants in your development certain rights:

- You and the other tenants have the right to form a tenants association for the purpose of buying the development.
- Within 60 days from the date of the owner's notice, you must notify the owner that you have formed an association and the names of the individuals who represent the association.
- The owner will then have 60 days to present the association or its representative with a bona fide offer to sell the development. The association then has 90 days to notify the owner whether it intends to buy the development.
- If the association is interested in buying the development, it has 90 additional days to present the owner with a purchase contract and negotiate the final sales price. Once the sales price is agreed to, the sale must close within 90 days.



3175 COMMERCIAL AVENUE, SUITE 100 / NORTHBROOK, IL 60062-1924 / PHONE (847) 205-1200 / FAX (847) 205-1212

September 17, 2018

VIA FEDERAL EXPRESS

Ms. Elizabeth Smith
Illinois Housing Development Authority
111 E. Wacker Drive, Suite 1000
Chicago, IL 60601

Re: Commonwealth Apartments
Contract #IL060035002
One year notification letter to Tenants

Dear Ms. Smith:

Per the requirements of the Section 8 Renewal Policy Guide Book, we are enclosing a copy of our One Year Notification to our Tenants stating our desire not to renew our currently expiring contract on September 17, 2019 for Commonwealth Apartments. We are also enclosing our letter to our Tenants explaining our interest and desire to renew our Section 8 Contract if acceptable terms can be worked out.

Per the requirements of the Section 8 Renewal Policy Guide Book, a copy of both notices has been delivered to each current tenant and has been posted in the public areas as of September 17, 2018.

Please do not hesitate to contact me if you need any additional information on this matter.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Nathan D. Weiss', is written over a faint, larger version of the same signature.

Nathan D. Weiss
Controller

NDW:rp
Enclosures



3175 COMMERCIAL AVENUE, SUITE 100 / NORTHBROOK, IL 60062-1924 / PHONE (847) 205-1200 / FAX (847) 205-1212

September 17, 2018

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 Commonwealth Apartments expires on September 17, 2019.

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

**This letter is to notify you that we intend to renew the current
Section 8 contract when it expires.**

If Congress makes funds available (which it has in the past and is expected to in the future), we will renew the Section 8 Contract. However, in the unlikely circumstance that we cannot renew our contract, it is our understanding that, subject to availability of funds, HUD will provide all eligible tenants currently residing in a Section 8 project based assisted unit with tenant-based assistance. If we later decide not to renew the current Section 8 contract when it expires, we will provide you with at least one year of advance notification of this decision.

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

Contract Administrator

Name: Brigitte Keyes, National Housing Compliance
Telephone Number: 888-530-8266

HUD Field Office


Name: Darletta Baugh
Telephone Number: 312-913-8160

HUD Web

<http://hud.gov> – click on "I want to" and the on "Find Rental Assistance."

Sincerely,

Commonwealth Apartments

By: 
Nathan D. Weiss, Member
Katz Bros. Development LLC, General Partner

NDW:hb

cc: National Housing Compliance

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Affiliated with Katz & Katz Real Estate



3175 COMMERCIAL AVENUE, SUITE 100 / NORTHBROOK, IL 60062-1924 / PHONE (847) 205-1200 / FAX (847) 205-1212

September 17, 2018

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Although there will be no immediate change in your rental assistance, we are required to inform you of our intended actions when that 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 project-based Section 8 rental assistance is expected to 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 beyond the one-year notice period, thus avoiding contract termination altogether.

September 17, 2018

Page 2

Approximately four months (120) days before the expected expiration of the Section 8 contract on September 17, 2019, HUD requires that we confirm our final decision to not renew the Section 8 project-based assistance beyond the notice period. 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:

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