

# NAHMA Analysis



## News and Analysis of Breaking Issues in Affordable Housing

National Affordable Housing Management Association

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### **Operating Cost Adjustment Factors for Fiscal 2001 - Notice**

Federal Register January 10, 2001

Effective January 10, 2001

Correction - The OCAF's listed below are the correct factors for 2001. NAHMA Analysis 2001-102 is incorrect.

*George's Spin - The OCAF's we distributed earlier today were an early draft, and were wrong. Today's Federal Register insert was published by the Government Printing Office without the OCAF table. HUD sent the table over with the insert but somehow the table was not included in the Register. We contacted one of our sources in HUD, and they provided us with the table, unfortunately it was an early draft, and was not the correct one. The problem was caught this afternoon, the table that appears below is the right one, and incidentally has much larger adjustments in most cases. Occasionally when you are in the instant news business, you make instant mistakes, here's the right table:*

#### APPENDIX

#### FY 2001 Operating Cost Adjustment Factors (OCAF) for Rent Adjustments at Section 8 Contract Renewal. (In percent)

State	FY 2001 Operating Cost Adjustment Factor
ALABAMA	3.31
ALASKA	2.48
ARIZONA	3.45
ARKANSAS	3.19
CALIFORNIA	2.99
COLORADO	3.20
CONNECTICUT	2.88
DELAWARE	2.84
DISTRICT OF COLUMBIA	2.98
FLORIDA	3.09
GEORGIA	1.68
HAWAII	3.10
IDAHO	3.23
ILLINOIS	2.72
INDIANA	2.81
IOWA	2.79
KANSAS	2.88
KENTUCKY	2.89
LOUISIANA	3.08

MAINE	2.89
MARYLAND	3.19
MASSACHUSETTS	2.64
MICHIGAN	3.00
MINNESOTA	3.22
MISSISSIPPI	2.96
MISSOURI	2.97
MONTANA	3.54
NEBRASKA	3.08
NEVADA	3.21
NEW HAMPSHIRE	2.58
NEW JERSEY	3.31
NEW MEXICO	2.53
NEW YORK	2.79
NORTH CAROLINA	3.25
NORTH DAKOTA	2.90
OHIO	2.87
OKLAHOMA	3.03
OREGON	3.12
PENNSYLVANIA	1.94
RHODE ISLAND	2.35
SOUTH CAROLINA	3.24
SOUTH DAKOTA	3.25
TENNESSEE	3.12
TEXAS	2.79
UTAH	2.58
VERMONT	3.91
VIRGINIA	3.00
WASHINGTON	3.26
WEST VIRGINIA	3.11
WISCONSIN	3.24
WYOMING	3.07
PACIFIC ISLANDS	2.76
PUERTO RICO	3.21
VIRGIN ISLANDS	2.86
UNITED STATES AVERAGE	2.85

These factors apply to Section 8 rent adjustments at contract renewal under Section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (MAHRA), as amended by the Preserving Affordable Housing for Senior Citizens and Families into the 21st Century Act of 1999, and under the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (LIHPRHA) Projects assisted with Section 8 Housing Assistance Payments. For Section 8 Mod Rehab properties it is still the case that renewal rents are required to be set at the lesser of: (1) The existing rents under the expiring contract, as adjusted by the OCAF; (2) fair market rents (less any amounts allowed for tenant- purchased utilities; or (3) comparable market rents for the market area.