

Public Housing Operating Cost

Calculation of Projected Operating Cost for the Revitalized Development

Enter the PHA's projected monthly costs for operating the development after revitalization or modernization in the green cells below. This estimate should reflect the costs of operating comparable developments and must be reasonable in light of the revitalization/modernization plan proposed.

a. Non-utility costs (including pro-rated share of overhead costs)	
Utilities	\$112,500
Utility Allowances	\$37,500
Total Projected Monthly Operating Costs for Revitalized Development	\$18,750
	\$168,750
b. Total Number of Units in Revitalized Development	375
c. Projected Monthly Operating Costs Per Unit	\$450
d. Total Projected Annual Operating Costs	\$2,025,000

Reasonableness Tests

Projected operating costs must be shown to be reasonable. This test compares projected monthly per-unit costs (above) with the current operating costs of the property. If projected costs are more than 10% lower than current costs, a narrative description must be provided detailing now this reduction in costs will be achieved. Current operating costs are calculated using either the development-based method or the PHA-wide method. If the development has a current vacancy rate of less than 20% and there is reliable development-level data on operating costs, use the development-based method (A). If the development has a current vacancy rate of 20% or greater or there is no reliable development-level data available, use the PHA-wide method (B).

What is the current vacancy rate of the development?
Is there reliable development based data available?

Enter vacancy rate here:	20%
Enter Yes or No here:	NO

Method to be used:

Use PHA-Wide Method
