



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

OFFICE OF HOUSING

APR 28 2011

MEMORANDUM FOR: All Regional Directors
All Multifamily Hub Directors
All Multifamily Program Center Directors
All Supervisory Project Managers

FROM: *for Willie Spearmon*
Willie Spearmon, Director, Office of Housing Assistance and Grants
Administration, HTH

SUBJECT: Annual Base City High Cost Percentages for Section 202 and Section
811 Capital Advance Projects, Effective January 2011

In accordance with 24 CFR Part 891.140 of the Section 202 and Section 811 Regulations, we have reviewed and adjusted, as appropriate, the High Cost Percentage (HCP) for each Base City.

Each Base City HCP has been recalculated and the results are reflected in the attached list of authorized Base City HCPs, which are effective January 1, 2011. These HCPs should be applied to the Section 202 and Section 811 Development Cost Limits. Multifamily Hub Offices and Program Centers affected by changes in their Section 202 and Section 811 Base City HCPs should immediately review and adjust, as necessary, the HCPs for their associated Key Localities, using the information in HUD Handbook 4425.1 REV-2 Chg 1 of Chapter 5 as a guide.

EXCEPTIONS:

SPECIAL LIMIT AREAS:

The U.S. Virgin Islands, Guam and the states of Alaska and Hawaii are Special Limit areas. Care should be taken to ensure that the appropriate limits are used for Section 202 and 811 projects in these areas as stated in the January 22, 2001, Federal Register publication.

EXCEEDING ASSIGNED GEOGRAPHIC FIELD OFFICE HCPs ON A CASE BY CASE BASIS FOR SECTION 202 AND 811 CAPITAL ADVANCE PROGRAMS:

Under the Delegation of Authority, the Commissioner has delegated Hub Directors the authority to waive Handbook instructions (Chapter 5 of HUD Handbook 4425.1 REV-2 Chg 1, paragraph 1-6A.1.c. of Section 202 Handbook 4571.3 REV-1 and paragraph 1-8A.2.c. of Section 811 Handbook 4571.2), on a case-by-case basis, and exceed their assigned geographic HCP ceilings, up to the program maximums. Those Directors who choose to exercise this Handbook waiver authority must document the project file in accordance with Paragraph 5-8 of HUD Handbook 4425.1 REV-2 Chg 1.

For Section 202 and 811 Capital Advance programs, the maximum HCP permitted, on a case-by-case basis, is 260 percent. Hub Directors must ensure that all Handbook waivers are adequately documented and copies of Form HUD-2, Waiver of Housing Directive, submitted to the appropriate Offices identified on Form HUD-2. Because of increased interest in the current limits, my Office also needs a copy of each Handbook waiver record for exceeding assigned geographic HCPs. For each project where a Handbook waiver to exceed the assigned HCP was authorized, please submit a copy of the following:

- A copy of the Handbook waiver documentation, including Form HUD-2 and
- A copy of Form HUD-92264-A, showing Criterion 4 completed.

Send the copies to:

Flossie Romero
U.S. Department of Housing and Urban Development
Office of Housing Assistance and Grants Administration
Room 6138
451 7th Street, SW
Washington, DC 20410

If there are any questions regarding the HCPs, please contact Alicia Anderson at (202) 402-5787.

Attachment

2011 Base City High Cost Percentage
Section 202 & 811 Capital Advance Programs
Independent living

BASE CITY	202/811	2011	HCP

<u>BOSTON MA HUB</u>	260		++
HARTFORD CT	260		++
BANGOR ME	218		
MANCHESTER NH	227		
PROVIDENCE RI	260		++
BURLINGTON VT	201		
<u>BUFFALO NY HUB</u>	237		
ALBANY NY	216		
<u>NEW YORK NY HUB</u>	260		++
<u>PHILADELPHIA PA HUB</u>	260		++
CHARLESTON WV	200		
CAMDEN NJ (ATLANTIC CITY)	234		
NEWARK NJ	260		++
PITTSBURGH PA	223		
WILMINGTON DE (DOVER)	249		
<u>BALTIMORE MD HUB</u>	213		
WASHINGTON DC	239		
RICHMOND VA	193		
<u>GREENSBORO NC (RALEIGH)</u>			
<u>HUB</u>	252		
COLUMBIA SC	210		
<u>ATLANTA GA HUB</u>	182		
LOUISVILLE KY	194		
KNOXVILLE TN (NASHVILLE)	177		

MEMPHIS TN	173	
NASHVILLE TN	181	
SAN JUAN PR (K WST)	225	
US VIRG ISL.(SPEC LMT)	360	
<u>JACKSONVILLE FL HUB</u>	181	
BIRMINGHAM AL	180	
JACKSON MS	179	
MIAMI FL	226	
TAMPA FL	214	
<u>CHICAGO IL HUB</u>	260	++
SPRINGFIELD IL	233	
INDIANAPOLIS IN	199	
<u>COLUMBUS OH HUB</u>	195	
CLEVELAND OH	213	
CINCINNATI OH	188	
<u>DETROIT MI HUB</u>	224	
GRAND RAPIDS MI (DETROIT)	163	
<u>MINNEAPOLIS MN HUB</u>	244	
MILWAUKEE WI	238	
<u>FORT WORTH TX HUB</u>		
<u>(DALLAS)</u>	178	
LITTLE ROCK AR	171	
NEW ORLEANS LA	174	
SHREVEPORT LA	175	
ALBUQUERQUE NM	168	
DALLAS TX	175	
HOUSTON TX	170	
LUBBOCK TX (AMARILLO)	167	
SAN ANTONIO TX	166	

<u>KANSAS CITY MO HUB</u>	216	
DES MOINES IA	175	
TOPEKA KS (WICHITA)	197	
ST. LOUIS MO	229	
OMAHA NE	200	
OKLAHOMA CITY OK	171	
TULSA OK (OKLA CITY)	164	
<u>DENVER CO HUB</u>	225	
HELENA MT (GREAT FALLS)	167	
FARGO ND	161	
SIOUX FALLS SD	163	
SALT LAKE CITY UT	193	
CASPER WY	155	
<u>LOS ANGELES CA HUB</u>	255	
SANTA ANA CA (L.A.)	255	
SAN DIEGO CA	260	++
<u>SAN FRANCISCO CA HUB</u>	260	++
PHOENIX AZ	183	
SACRAMENTO CA	260	++
HONOLULU HI (SP LMT)	360	
LAS VEGAS NV	216	
<u>SEATTLE WA HUB</u>	260	++
ANCHORAGE AK(SP LMT)	360	
BOISE ID	175	
PORTLAND OR	225	
SPOKANE WA	201	

NOTES:

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Office has reached the maximum Base City High Cost Percentage

**2011 Base City High Cost Percentage
Section 811 Capital Advance Programs
Group Homes**

BASE CITY	2011 HCP
<u>BOSTON MA HUB</u>	260
HARTFORD CT	260
BANGOR ME	228
MANCHESTER NH	237
PROVIDENCE RI	260
BURLINGTON VT	210
<u>BUFFALO NY HUB</u>	248
ALBANY NY	225
<u>NEW YORK NY HUB</u>	260
<u>PHILADELPHIA PA HUB</u>	260
CHARLESTON WV	209
CAMDEN NJ (ATLANTIC CITY)	243
NEWARK NJ	260
PITTSBURGH PA	232
WILMINGTON DE (DOVER)	259
<u>BALTIMORE MD HUB</u>	223
WASHINGTON DC	249
RICHMOND VA	201
<u>GREENSBORO NC (RALEIGH) HUB</u>	260
COLUMBIA SC	220
<u>ATLANTA GA HUB</u>	190
LOUISVILLE KY	202
KNOXVILLE TN (NASHVILLE)	185
MEMPHIS TN	180
NASHVILLE TN	189
SAN JUAN PR (K WST)	235
US VIRG ISL.(SPEC LMT)	360

<u>JACKSONVILLE FL HUB</u>	189
BIRMINGHAM AL	187
JACKSON MS	187
MIAMI FL	236
TAMPA FL	224
<u>CHICAGO IL HUB</u>	260
SPRINGFIELD IL	243
INDIANAPOLIS IN	209
<u>COLUMBUS OH HUB</u>	204
CLEVELAND OH	222
CINCINNATI OH	197
<u>DETROIT MI HUB</u>	234
GRAND RAPIDS MI (DETROIT)	170
<u>MINNEAPOLIS MN HUB</u>	255
MILWAUKEE WI	247
<u>FORT WORTH TX HUB (DALLAS)</u>	185
LITTLE ROCK AR	178
NEW ORLEANS LA	181
SHREVEPORT LA	183
ALBUQUERQUE NM	175
DALLAS	
TX	183
HOUSTON TX	177
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SANTA ANA CA (L.A.)	260
SAN DIEGO CA	260
<u>SAN FRANCISCO CA HUB</u>	260
PHOENIX AZ	191
SACRAMENTO CA	260
HONOLULU HI (SP LMT)	360
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