




The CA Quarterly Review

North Tampa Housing Development Corporation

Summer 2021

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From the Desk of Layla Hartz	1		<p>I hope that you are all faring well through the Covid-19 pandemic. I know that it has been a difficult year and a half, but with your hard work and dedication, you are persevering. The staff at NTHDC and myself wish to thank you for your commitment in navigating these unknown waters.</p> <p>Because of the vaccine, the state-wide COVID cases are declining, and as such we can gather in groups relatively safely and with minor risk to those who are vaccinated. Because of this, several industry groups are hosting in person conferences once again, and I have to say, I have missed meeting with you all in person. NTHDC staff will be on hand at several upcoming conferences and we look forward to seeing you.</p> <p>Summer is here and that can only mean one thing for the Florida Peninsula and the U.S Virgin Islands... Hurricane season.</p> <p>I encourage all owners and agents to review your disaster plan and make the necessary preparations. We've included an article later in the newsletter that reviews what to do in the case your property experiences an event. Please take the necessary precautions now, as we have already experienced a Tropical Storm.</p>
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Be sure to update NTHDC's address on form HUD-9887.

New address:

4300 West Cypress Street
Suite 300
Tampa, FL 33607

From all of us at NTHDC have a great Summer and stay safe!

Layla Hartz,
NTHDC Director and
Contract Administrator





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Procedures in the Event of Resident Displacement and/or Property Damage

HUD has acquired a great amount of knowledge and best practices over the past several years on how to efficiently respond to a Presidentially Declared Disaster (PDD). As a result HUD has developed guidance that covers the many different aspects of servicing multifamily properties that were damaged or vacated as a result of a PDD. This guidance also applies to all HUD insured/ HUD assisted properties in situations where the Hub Director determines that an emergency exists.



To remind you of the procedures and tools available for owners and residents impacted by natural disasters, HUD has developed the [Multifamily Housing Guidance for Disaster Recovery](#) website. The information found here will make post-recovery efforts go more smoothly if an event occurs that impacts your residents and/or your property.

For your convenience, Chapter 38: Multifamily Emergency/Disaster Guidance, from [HUD Handbook 4350.1](#) includes procedures to provide HUD staff, Owners, Management Agents, and communities with the tools that they need to react to emergency situations. HUD encourages you to review this material before an event occurs.

Following an event that impacts residents and/or properties, HUD has reporting obligations based on information staff obtains from Owners and Management Agents of HUD insured and/or assisted properties. Owners and Management Agents are obligated to always immediately report physical damage to a property interior or exterior that has resulted from a fire, flood, wind, severe cold, or other natural disaster or weather event. It is most convenient for all parties if Owners and Agents proactively report to HUD. Owners are encouraged to complete and forward damage assessments to HUD. Please use the forms as follows:

- For a FEMA Declared Emergency or Disaster: Preliminary Disaster Assessment (Appendix A-3 of Chapter 38 of Handbook 4350.1.)
- For an Event not declared by FEMA: Basic Damage Assessment

Please forward the appropriate Assessment Form within 24 hours of the damage. Either form should be legibly handwritten and emailed to:

To find your assigned Account Executive, please go to the following website:

<https://www.hud.gov/states/florida/offices/>

Updated reports should be submitted as additional information is available concerning resident displacement or regarding the level/amount of damage sustained. While the Department is not a payee on an insurance loss draft for a property with an insured mortgage, HUD must still be notified of the event and any damage sustained to the property.

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Procedures in the Event of Resident Displacement and/or Property Damage (continued)

OWNER RESPONSIBILITIES

Owners/agents are responsible for:

- Developing an emergency relocation plan to relocate residents prior to the storm especially at 202/811 Elderly or Disabled Properties and nursing homes;
- Developing a pre-disaster checklist that is shared with tenants in case of a disaster;
- Ensuring that the property and records are secured and that residents' possessions and valuables are secured and protected to the greatest extent possible.
- Contacting FEMA for on-going guidance and instruct residents to register with FEMA through 1-800-621-FEMA (3362), or www.fema.gov.
- Applying for assistance with FEMA, Small Business Administration, Housing Finance Agency and others;
- Contacting the local HUD office following a disaster;
- Providing a status report for the residents and property condition;
- Ensuring that residents provide EMERGENCY contact numbers;
- Determining the extent of damage, security needs, resident property protection needs, etc.
- Contacting the property's insurance provider to apply for property and business interruption claims;
- Maintaining inventory of all residents, property, phone numbers, mailing address, and emails;
- Determining which residents have been displaced due to unit damage or a failure of a major building system such as the electrical system, etc.; and
- Tracking each displaced resident's temporary location and maintain contact information for each displaced resident, particularly if the property will likely have units off-line for more than 30 days.

REMINDER TO OWNERS IN AFFECTED AREAS:

Owners should not evict tenants from their unit in order to make hurricane related repairs. The Department encourages you to revisit the instructions provided in Chapter 38 of Handbook 4350.1 for related Emergency/Disaster Guidance.

Other Important Contact Information:

- Federal Emergency Management Agency (FEMA): 1-800-621-3362 – <https://www.fema.gov/>
- American Red Cross: 1 800 RED CROSS (1-800-733-2767) - <http://www.redcross.org>
- HUD's housing discrimination hotline: 800-669-9777 (Voice), 800-927-9275 (TTY).

FLORIDA

- Florida Emergency Information Hotline: **1-800-342-3557**
- Information on shelters, road closures, and evacuation routes: <http://www.floridadisaster.org>
- Salvation Army: (813) 962-6611 — <http://www.salvationarmyflorida.org>
- Department of Agriculture's Rural Housing: (352) 338-3402 — www.rd.usda.gov/fl
- Florida Housing Finance Corporation: (850) 488-4197 — <http://www.floridahousing.org/>



Pandemic Income Sources

The CARES Act identified different types of unemployment compensation and the COVID-19 FAQ identifies which are to be included or excluded from annual income calculations.

The CARES Act contains the following three types of unemployment compensation:

- Section 2102: Pandemic Unemployment Assistance (PUA). This is an unemployment benefit for individuals who are self-employed, seeking part-time employment, or whom otherwise would not qualify for regular unemployment insurance (UI). HUD has determined that PUA benefits **must be included** as annual income.
- Section 2104: Federal Pandemic Unemployment Compensation (FPUC) program. This program provides eligible individuals who are collecting certain UI benefits, including regular unemployment compensation to receive an additional \$600 in federal benefits per week for weeks of unemployment ending on or before July 31, 2020. HUD has determined that FPUC benefits meet the definition of temporary income and **must NOT be included** in annual income.
- Section 2107: Pandemic Emergency Unemployment Compensation (PEUC) program. This program provides an extension to regular unemployment insurance benefits for eligible individuals, allowing them to receive up to 13 weeks of additional benefits (this extends UI from 26 weeks to 39 weeks in total). HUD has determined that PEUC benefits **must be included** in annual income.

HUD also notes that regular payments of unemployment insurance (issued by the state) **are treated as annual income** according to existing HUD policy.

The Economic Impact Payment (which is technically an advance payment of a tax credit that may be claimed on a tax return) provided by the CARES Act is **not to be included** in calculations of tenant income. This would also include the Advance Payment of the Child Tax Credit if a family chooses to receive them.

As noted in the HUD 4350.3 Chapter 5, 5-6 Q.4 lump sum payments caused by delays in processing periodic payments for unemployment or welfare assistance **are included** as income.

HUD currently has not made any final determinations regarding income inclusion or exclusion for the Paycheck Protection Program or any Emergency Rent Relief Programs.

Additional information can be found within the HUD Multifamily [COVID-19 FAQ](#) document. Residents can also find helpful information navigating the pandemic within the [COVID-19 Guidance for Residents](#) document released by HUD on June 3, 2021.



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CDC Eviction Moratorium

The Centers for Disease Control and Prevention (CDC) have extended the eviction moratorium for one final month. The moratorium was scheduled to expire on June 30, 2021 and is now extended through July 31, 2021. The Biden Administration announced a number of steps to keep people in their homes by protecting renters who are still experiencing difficulties from the pandemic and its economic fallout. You can read the [revised order](#) and the [White House Fact sheet](#) for additional information.

Please continue to direct electronic submissions as follows:

Vouchers: voucher@cgifederal.com

Special Claims: specialclaim@cgifederal.com

MOR Responses: tampageneralmailbox@cgifederal.com

Office: 4300 West Cypress Street, Suite 300 Tampa, FL 33607

Phone: 813.873.8200

Fax Numbers: 813.877.1412 and 813.877.1434





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Housing Notice H 2021-02

On June 30, 2021, HUD released [Housing Notice H 2021-02](#): Guidelines for Certain HUD Approvals Regarding Properties Encumbered by HUD-Held Mark-to-Market Program Debt and Portfolio Reengineering Demonstration Program Debt.

BACKGROUND

1. This Notice:

- replaces Housing Notice 2012-10, “Guidelines for Assumption, Subordination, or Assignment of Mark-to-Market (M2M) Loans in Transfer of Physical Assets (TPA) and Refinance Transactions” in its entirety;
- provides new instructions for the acquisition and/or refinancing of projects which have been through a M2M debt restructuring or a Demo Program restructuring (collectively, “Post M2M”) and are encumbered by HUD-held debt.

2. Section 3 of this Notice replaces Appendix C of the Mark-to-Market Operating Procedures Guide regarding transfers of assets to qualified nonprofits.

3. This Notice does not apply to transactions where the Post M2M debt will be repaid in full, although other HUD requirements

Except as otherwise specified, for the remainder of this Notice, the term “M2M” shall be used to mean either M2M or the Demo Program, and the term “Note” shall be used to mean an MRN, CRN, or Demo Note.

EFFECTIVE DATE

This Notice is effective immediately for all Requests or applicable transactions initiated after June 30, 2021.

ORGANIZATION AND EXPLANATION OF MAJOR PROVISIONS

This Notice includes the following Sections:

Section 1: Provides definitions for terms used in this Notice.

Section 2: Describes the processing requirements applicable to the activities covered by this Notice and governs any request to assume and/or subordinate M2M debt and to waive the due on sale or refinance clause contained in the loan documents that evidence and secure M2M debt.

Section 3: Governs any request made by a “Qualified Purchaser” (defined below) to receive certain types of debt relief with respect to an MRN or CRN. Section 3 does not apply to Demo Notes.

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Housing Notice H 2021-02 (continued)

Section 4: Governs certain requests for a term extension of a Note.

Section 5: Governs any request for approval of a proposal under Section 8(bb)(1) of the United States Housing Act of 1937 for HUD to transfer the budget authority remaining on a project-based Section 8 Housing Assistance Payments (HAP) Contract at the time of its termination to another HAP Contract in cases where either the project from which budget authority is transferred (Project A) or the project to which it is transferred (Project B) is subject to a Full M2M Renewal Contract (defined below).

This Notice streamlines and revises pre-existing guidance related to the refinance, assumption, subordination, assignment, forgiveness, or modification of Notes. This Notice reduces processing requirements not warranted by the benefits and provides transparency regarding processing of requests not addressed in the prior guidance. Among the key provisions and changes are to:

- Streamline HUD review of the first mortgage debt to focus on maximizing Project cash flow, protecting long-term viability of the Project, and evaluating the impact on future valuation of the Project for the remaining term of the M2M Use Agreement.
- Emphasize preservation of the affordable housing resource as a core criterion for granting waivers of the due on sale or refinance clause.
- Replace the emphasis on “Strategic Communities” with an emphasis on preservation of affordable housing, as documented by meeting projected capital needs, as the basis for granting incentives within the Notice.
- Consolidate into this Notice the subjects covered in Appendix C of the Mark-to-Market
- Operating Procedures Guide and provide more detailed guidance regarding review of proposed Qualified Nonprofit Purchasers.
- Establish guidance on processing Notes that are in default to maximize coordination among HUD offices.
- Establish guidance on processing a request for approval of a proposal under Section 8(bb)(1) of the United States Housing Act of 1937 for HUD to transfer the budget authority remaining on a project-based Section 8 HAP Contract at Project A at the time of its termination to another contract (i.e., at Project B) when either project is subject to a Full M2M Renewal Contract.

CONTACT INFORMATION

If you have questions regarding this Notice, please contact Kara Williams-Kief by email at PM2M@hud.gov, or contact the Account Executive assigned to the Project at the Multifamily Regional Center.



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Top Reasons that Special Claim Submissions are Denied

1) The Claim is received after 180 days from the unit ready date.

- The unit ready date is the day after all work is complete in the unit and it is ready to be rented. Claims must be received within 180 days of this date.

2) Security Deposit Disposition Letter:

- Calculations on the Security Deposit Disposition letter are incorrect and the incorrect amount is being returned/charged to the tenant.
- MO date on the letter does not match the MO date of the certifications received.
- The security deposit should first be applied towards unpaid rent, tenant damages and other charges and then to the vacancy claim for the remaining amount to be forfeited. Charging the tenant for the security deposit on the Security Deposit Disposition Notice and not applying the deposit collected toward any charges is overcharging the tenant and will result in a denial.

3) MO/MI Certifications not viewable in TRACS:

- When a tenant is terminated, a MO certification must be transmitted to TRACS. If the MO effective date is not within 15 months from the effective date of the last AR processed, a TRACS Multi-Family Move Out Request Form is needed.

4) Security Deposit Collected:

- The Security Deposit collected does not match the TTP amount (or met the rules in effect at the time the deposit was collected) of the signed MI certification received and no explanation was provided to justify the discrepancy.
- For transfer out tenants, evidence that the security deposit was returned to the tenant (Security Deposit Disposition Letter) or was transferred to the new unit must be submitted.

5) Issues with the MI HUD 50059:

- The MI 50059 for the MO tenant was not submitted and an adequate explanation was not provided as to why it could not be provided.
- MI 50059 was not signed by tenant/OA.

6) Waiting Lists/Marketing efforts:

- Skipped tenants must have a comment to support why they have been skipped over.
- The waiting list does not list applicant status or contact dates for applicants supporting that wait list was being worked for claims over 60 days.
- MI tenant was not listed on the waiting list provided.
- Advertisements provided do not: ♦ List the date in which they were published; ♦ Support that marketing took place during the vacancy period; ♦ List the Fair Housing Logo/Motto/Slogan.

7) HUD forms 52671-C, 52670-A Part 2, 52671-A: Not signed and/or dated.

8) Unpaid Rent/Damages:

- Missing documentation to support that the matter was turned over to collections.
- Missing evidence that the security deposit was sent certified mail.

Member Spotlight Introducing Carrie Starling



Carrie Starling is a Central Contract Specialist who works with a diverse portfolio of properties in Florida. If you have had the pleasure of working with her you know how much she values being able to assist Owners and Agents in various HUD processing tasks. Prior to moving to Tampa from San Diego, CA, Carrie was an Assistant Facility Security Officer with British Aeronautical Engineering Facility. She moved to Tampa in 2006 and joined Horizon Bay Community, an Assisted Living, Independent Living and Skilled Nursing Facility. She joined North Tampa Housing Development Corporation in 2007 and has been an integral part of the NTHDC team ever since. The change from a military and security background to affordable housing was a challenge and rewarding experience at the same time.

Carrie has a daughter now in high school and a dog named Louie. Carrie's hobbies include traveling, hiking and the spending time at the beach. She loves the great outdoors and encourages all to enjoy the beauty Mother Nature has to offer.





ALL RESIDENTS OF H.U.D. SUBSIDIZED PROPERTIES

North Tampa Housing Development Corporation (NTHDC) is the HUD Contract Administrator and is responsible for responding to resident concerns. NTHDC Call Center has a team of Customer Relation Specialist (CRS) that will receive, investigate and document concerns such as, but not limited to the following:

- ♦ Questions or concerns regarding work order follow-up.
- ♦ Questions regarding the calculation of your rent.
- ♦ Address health & safety and HUD Handbook 4350.3 concerns.

Call Center Purpose:

- ♦ Call Center aids in ensuring HUDs mission of providing Decent, Safe and Sanitary Housing.
- ♦ Serve as a neutral third party to residents, owners and the public.
- ♦ Assist with clarifying HUD Occupancy Handbook 4350.3 requirements.

Call Center Contact Information and Business Hours:

- ♦ Hours of Operation: Monday – Friday, 8:30am to 5:30pm
- ♦ Contact Numbers: 800-982-5232 fax: 614-985-1502
- ♦ Written Summaries: 8760 Orion Place, Suite 110, Columbus, Ohio 43240
- ♦ Email: PBCAContactCenter@cgifederal.com
- ♦ Website: www.nthdc.org

Concerns can be submitted by the following:

- ♦ Phone
- ♦ Fax
- ♦ Mail
- ♦ Email
- ♦ Voicemail
- ♦ FOIA- Freedom of Information Act request must be submitted directly to HUD

Required Information to open an inquiry:

- ♦ Property name
- ♦ Caller's name (anonymous calls accepted)
- ♦ Caller's telephone number with area code
- ♦ Caller's address including apartment number
- ♦ A brief, detailed description of the caller's concern(s)

EQUAL HOUSING OPPORTUNITY

4300 West Cypress Street, Suite 300, Tampa Florida 33607

Tele: (813) 877-1434 | Fax: (813) 877-1412 | TTY English: (800) 955-8771 | TTY Español: (877) 955-8773 |
Contact Center (800) 982-5232