



The CA Quarterly Review

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North Tampa Housing Development Corporation

From the Desk of Don Shea,
NTHDC Director and Contract Administrator

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As this year comes to an end it's great to look back at another successful year as the Performance Based Contract Administrator (PBCA) for the state of Florida and the U.S. Virgin Islands. Each of you plays a part in ensuring affordable housing remains available to those in need, and we applaud you for that. You may find this hard to believe, I sure do at times, but December marks the ten year anniversary of NTHDC as the PBCA in Florida. It has truly been a pleasure and we fully expect to be here for many more.

HUD is expected to file a petition for a writ of certiorari to the US Supreme Court requesting reconsideration of their appeal to the March 25, 2014 Federal Circuit Court ruling. In that ruling, the federal appeals court panel determined unanimously that HUD must compete the PBCA contracts under the standard contracting procedures that are employed by all federal agencies. The court ruled that HUD violated federal law in categorizing administrative services contracts as "cooperative agreements" thus avoiding a competitive contracting process. HUD continues to pursue the appeal process regardless of the fact that the Federal Circuit was clear in their direction in the March ruling. On August 8, 2014, the U.S. Court of Appeals for the Federal Circuit denied HUD's request that the full court rehear their request.

While the litigation continues, there has been some good news. HUD offered NTHDC ACC extensions for both Florida and the US Virgin Islands. The Florida extension is for an initial six-month term for the period of January 1, 2015 until June 30, 2015. This is followed by five additional six-month renewal options which could extend the full term until December 31, 2017 (if HUD elects the full renewal options). The extensions in Florida do not include MOR activity, so there remains no timetable for the return of this task to the PBCA. The US Virgin Islands extension is for a six-month term effective January 1, 2015 until June 30, 2015. There were no changes to the contract and NTHDC will continue to conduct MORs in the Virgin Islands. On behalf of myself and every member of our staff, we wish you a wonderful Holiday season and we are looking forward to a great 2015!

Don Shea,
NTHDC Director and Contract Administrator, Florida & U.S. Virgin Islands

What's New on HUDClips

Posted Date		
12/02/2014	<u>FR-5761-N-03</u>	60-Day Notice of Submission of Proposed Information Collection to OMB; Standardization Form for Collecting Information Regarding Race and Ethnic Data
12/02/2014	<u>Housing Notice 2014-16</u>	Waiting List Administration
11/24/2014	<u>FR-5752-N-097</u>	30-Day Notice of Proposed Information Collection: Budget Based Rent Increases
11/13/2014	<u>HUD Form 92458</u>	Rent Schedule Low Rent Housing
11/10/2014	<u>FR-5752-N-90</u>	30-Day Notice of Proposed Information Collection: Annual Adjustment Factors (AAF) Rent Increase Requirements
10/31/2014	<u>Housing Notice 2014-15</u>	Passbook Savings Rate
10/17/2014	<u>HUD Memorandum</u>	Smoke Free Action Guide for Multifamily Housing
10/14/2014	<u>Section 8 Contract Forms</u>	Section 8 Contract Renewal Forms – 90055, 93181, 93182, 93184, 9636, 9637, 9638, 9640, 9641, 9642, 9643, 9644, 9648 A, 9648 D, 9649, 9651
10/09/2014	<u>Housing Notice 2014-14</u>	Transferring Budget Authority of a Project Based Section 8 Housing Assistance Payments Contract Under Section 8(bb)(1) of the United States Housing Act of 1937
10/07/2014	<u>FR-5576-P-01</u>	Proposed Rule: Supportive Housing and Service for the Elderly and Persons with Disabilities: Implementing Statutory Reforms
10/03/2014	<u>FR-5807-N-03</u>	Final Fair Market Rents for the Housing Choice Voucher and Mod Rehab SRO Program FY 2015
10/02/2014	<u>FR-5810-N-01</u>	Notice of Certain Operating Cost Adjustment Factors for 2015
09/29/2014	<u>TRACS Documents</u>	TRACS 202D Documents
09/22/2014	<u>HUD Memorandum</u>	Clarification on Affirmative Fair Housing Marketing Plan Review and Approval Guidance
09/04/2014	<u>Housing Notice 2014-13</u>	Revisions to Large Loan Risk Mitigation Policies

TRACS 202D

Effective 8/1/2014, NTHDC began accepting voucher transmissions in both TRACS 202D and 202C formats. HUD will allow a Parallel Process from 8/1/2014 through 1/31/2015 (September Voucher – February Voucher). TRACS 202D will be incorporated to include changes with the current HUD handbook, revision notices, and other controlling documents, including changes to new forms and formatting requirements for certifications (50059/50059-A). Owners must submit vouchers in 202D format following the parallel processing period. Vouchers in other formats will be rejected after that time.

TRACS Website and Reference Material:

The final TRACS 202D specification documents and implementation schedule have been posted to the TRACS webpage. http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/trx/trxsum. Owners should pay special attention to the guidelines provided there. Please be sure to attend all meetings hosted by your software vendor to ensure compatibility and minimize voucher discrepancies during this transition period.

Staff Recognition



On December 1, 2014, NTHDC celebrated our 10 year anniversary as the Performance Based Contract Administrator (PBCA) for the state of Florida. We recognized six members who were present from NTHDC's inception and have reached ten years of service. From Left to Right: Dorothy Swayze, Robert Vandergrift, Lorie Craft, Safrone, Presley, Jaqueline Reynolds, and Elvin Maldonado.

New Passbook Savings Rate

When determining annual income for families who receive assistance in a Multifamily Housing subsidized unit, owners include in annual income the greater of either: 1) actual income resulting from all net family assets; or 2) a percentage of the value of such assets based upon the current passbook savings rate as determined by HUD when a family has net assets in excess of \$5,000.

The office of Multifamily Housing Programs had previously set the passbook savings rate at 2% because interest rates had historically fluctuated around that number; however, because interest rates have dropped and maintained a level significantly below 2% Multifamily Housing has acknowledged the need to adjust the passbook savings rate to represent current national averages.

HUD Notice H 2014-15, issued on October 31, 2014, announced that beginning on February 1, 2015, Multifamily will annually publish the passbook savings rate to be used for all certifications. **Effective February 1, 2015, the passbook savings rate to be used for all move-in, initial, annual and interim recertifications when a family has net assets over \$5,000 is .06%.** The .06% rate must be used until Multifamily Housing publishes and makes effective a new passbook savings rate.

Interim Recertifications

According to HUD Handbook 4350.3 and the HUD Model Lease, tenants have the right to request an adjustment through an interim certification process if their income changes before the next annual recertification. Because a change in the passbook savings rate may change the reported income for individuals with more than \$5,000 in assets, these tenants are permitted to request an interim recertification. Owners should refer to HUD Handbook 4350.3, Chapter 7-10 when processing interim recertifications.

Click [here](#) to read HUD Notice H 2014-15 in its entirety.

Questions about the notice should be directed to Catherine Brennan in the Office of Asset Management and Portfolio Oversight at 202-402-6732 or Catherine.M.Brennan@hud.gov.



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Please visit: www.nthdc.org OR send an email to: layla.hayavi@cgifederal.com



State Supplementary Payments (SSP) Administered by States

Multifamily Housing has recently been informed that some states no longer have their State Supplementary Payments (SSP), which supplement the Federal Supplemental Security Income (SSI) benefit, administered by the Social Security Administration (SSA). Because of this, SSA has advised they are not able to maintain any information about SSP in the states identified in their table below. The new protocol effects the income amounts provided by SSA to HUD and displayed in the Enterprise Income Verification (EIV) System. In order to verify the payment in states administering SSP, verification can be obtained by the tenant from the state office and as outlined in Chapter 5 and Appendix 3 of HUD Handbook 4350.3 REV-1. As explained in Chapter 5 of HUD Handbook 4350.3, REV-1, the verification must be provided within 120 days of the certification date and must not be older than 120 days from the date provided to the owner.

If the above causes a discrepancy in the EIV system, note the reason for the discrepancy and place in the tenant file. The below information and tables can be found on SSA’s website at <http://www.socialsecurity.gov/ssi/text-benefits-ussi.htm>.

STATE ADMINISTERED SUPPLEMENT

Alabama	Alaska	Arkansas	Colorado
Connecticut	Florida	Georgia	Idaho
Illinois	Indiana	Kansas	Kentucky
Louisiana	Maine	Maryland	Massachusetts
Michigan	Minnesota	Missouri	Mississippi**
Nebraska	New Hampshire	New Mexico	North Carolina
Ohio	Oklahoma	Oregon	South Carolina
South Dakota	Tennessee	Texas	Virginia
Washington	Wisconsin	Wyoming	Utah

SOCIAL SECURITY ADMINISTERED SUPPLEMENT

California	Delaware*	District of Columbia*	Hawaii
Iowa*	Montana	Nevada	New Jersey
New York*	Pennsylvania*	Rhode Island*	Vermont

*Dual administration State. In these States, Social Security administers some categories of State supplement payments, while the State administers other categories of supplemental payments.

NO STATE SUPPLEMENT

Arizona	Northern Mariana Islands
North Dakota	West Virginia
Mississippi **Source data from the Social Security Administration website seems to conflict. Please check with your area Mississippi SSA office.	

When to Designate a 504 Coordinator



Section 504 of the Rehabilitation Act provides that no qualified individual with a disability should be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance on the basis of their disability.

A 504 Coordinator is responsible for ensuring ongoing Fair Housing and non-discrimination compliance, including the adherence to the company's grievance policy. Residents must be

informed as to whom the point of contact is for 504 related questions and issues, therefore, it is best that the coordinator's contact information be published in all printed materials or publications issued to residents.

Does your property require a 504 Coordinator?

If your property receives federal subsidy and you employ fifteen or more persons, then you are required to comply with the procedures outlines in 24 CFR 8.53 by designating a responsible person to oversee compliance with Section 504. Compliance with Section 504 requires the following actions:

- ◆ Adopt and adhere to your grievance policy.
- ◆ Notify participants, beneficiaries, applicants, and employees that your property does not discriminate on the basis of disability in admission or access to, or treatment or employment in, its federally assisted programs and activities.
- ◆ Include a statement of your company's non-discrimination policy in any recruitment materials or publications.
 - ◇ Properties may meet this requirement either by including appropriate inserts in existing materials and publications or by revising and reprinting the materials and publications.
- ◆ The Property must ensure that members of the population eligible to be served or likely to be affected directly by a federally assisted program who have visual or hearing impairments are provided with the information necessary to understand and participate in the program.
 - ◇ Methods for ensuring participation include, but are not limited to, qualified sign language and oral interpreters, readers, or the use of taped and Braille materials.

Grievance Procedures

The grievance procedure must incorporate a due process standard that provides for a prompt and equitable resolution of complaints alleging any prohibited action under Section 504 of the Rehabilitation Act. The grievance policy must also include an appeal process and the identity and contact information of the 504 coordinator.

As part of the grievance process, the 504 coordinator, from time to time may be asked to make determinations regarding requests for reasonable accommodations and modifications. It's important to remember that a reasonable accommodation is a change, exception, or adjustment to a rule, policy, practice or service that may be necessary for a person with a disability to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces. But that does not necessarily mean that every request is a reasonable one.

When to Designate a 504 Coordinator?

For an accommodation to be reasonable there must be an identifiable relationship or connection between the requested accommodation and the individual's disability. If the requested accommodation does not remedy the individual's inability to enjoy the use of their unit, then the request is not judicious.

Of course, the accommodation must be reasonable, so if the request would place an undue financial burden on the owner or fundamentally change the nature of the owner's operation, then it is not reasonable. Determinations should be made by the 504 Coordinator on a case-by-case basis.

When a reasonable accommodation request is made, the coordinator has an obligation to verify the validity and need for the request. You may request documentation of the need for the accommodation. Verification should be made only to the extent necessary to verify the disability and if the accommodation is needed. It is improper to request medical records or other confidential personal health information, as doing so would violate several laws. Verification of the disability and the need for the accommodation may be obtained from a licensed health provider, medical provider, representative of a social service agency, disability agency or clinic, or any other provider that can verify the disability, such as a psychiatrist or therapist.

For more information regarding Fair Housing and 504 Compliance, please visit http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/disabilities/sect504.

Emergency Call Systems in Elderly Properties

October 31, 2014, HUD published a memo which clarifies the Multifamily policy related to emergency call systems in elderly properties. This memo describes the functional requirements of an emergency call system and explains how those functional requirements can be met using a variety of manual, electronic, and wireless emergency alert systems.

Functional Requirements

There is no requirement that a property use a particular type of call system (such as older pull cord systems), as long as the system in place meets the functional requirements described in HUD Handbook 4910.1, Section 100-2.20.

HUD's Handbook 4910.1 *Minimum Property Standards/or Housing, 1994 Edition*, specifies requirements for emergency call systems for elderly properties. The language in the handbook provides sufficient flexibility to accommodate electronic or wireless systems:

100-2.20 Emergency Call Systems

In projects containing 20 or more living units, each bathroom and one bed location in each living unit shall be furnished with one of the following emergency call systems: an emergency call system which registers a call (annunciator and alarm) at one or more central supervised locations, an intercommunicating telephone system connected to a switchboard which is monitored 24 hours a day, or an emergency call system which sounds an alarm (not the fire alarm) in the immediate corridor and automatically actuates a visual signal in the corridor at the living unit entrance.

Emergency Call Systems in Elderly Properties ...*continued*

Terms such as a "call", "switchboard", and "system" should be construed broadly to include both wired and wireless or electronic systems.

A "central supervised location" or "switchboard" can be either onsite or offsite, so long as the emergency calls are continuously monitored to ensure a timely response to a tenant's emergency call.

The owner is required to provide and maintain the emergency call system, including any required repairs or replacement. This includes any battery replacements. It is unacceptable to have a separate add-on rental fee, but the cost for such a system is part of the project's expenses and is expected to be covered within the monthly rental charge. Lost or tenant caused damaged equipment can be charged to tenants similar to other property damage charges.

If an existing pull cord system is installed on the property, Owners are permitted to replace that system with a wireless or electronic system as long as the new system is economical and meets the functional requirements described in Handbook 4910.1. If no longer in use, pull cords must be removed from each applicable unit.

Mobile Emergency Response Device

In addition, mobile personal emergency response devices that are worn on a tenant's person shall also be acceptable, so long as the owner is able to provide ongoing assurance that the devices are operational and available for use by tenants and other household members.

The owner is required to have an Operation and Maintenance (O&M) Plan for mobile emergency response devices. The O&M Plan is to outline how the system will remain operational, maintained and replaced for the life of the project. Tenants shall be given written information regarding their devices, and what procedures they are to follow regarding repairs and/or replacement. This information is to be posted on a tenant information board or provided to the tenants on an annual basis.

Summary of Clarification

An emergency response system, including mobile response devices, in elderly Multifamily properties shall be deemed acceptable if:

- ◆ The system registers an alarm call at a central supervised location; OR
- ◆ The system provides an intercommunication system that connects to a continuously monitored switchboard (24 hours a day); OR
- ◆ The system sounds an alarm in the immediate corridor and actuates a visual signal at the living unit entrance.
- ◆ The system is available in each bathroom and one bed location in each living unit.

Smoke Free Action Guide for Multifamily Housing

Effective October 17, 2014 HUD introduced guidance in conjunction with the Office of Lead Hazard Control and Healthy Homes (OLHCHH) guide entitled, "[Changes is in the Air - An Action Guide for Establishing Smoke-Free Public Housing and Multifamily Properties](#)". The purpose of this Action Guide is to further educate PHAs and owners/agents of subsidized or market rate multifamily housing about the benefits of smoke-free policies and the steps and recommended best practices to follow for implementing smoke-free policies. **Having a Smoke-Free Housing Policy is currently NOT required.**

There are five leading reasons to adopt a Smoke-Free Policy. Owners and Agents should review the following reasons for adopting a smoke-free policy:

- ◆ **Protect the Health and Safety of Residents and Staff:** Secondhand smoke poses serious health threats to children and adults.
- ◆ **Cost Savings:** Smoke in units can lead to serious damage to your property. Moderate to excessive smoking damages most surfaces and fixtures in the home.
- ◆ **Movement of Secondhand Smoke Between Units Cannot Be Controlled:** The only sure way to prevent exposure to secondhand smoke in multifamily housing is to enforce a smoke-free policy.
- ◆ **Residents Prefer Smoke-Free Housing:** About one-quarter of all Americans live in multiunit housing, and the majority (80%), including people who smoke, have smoke-free home rules.
- ◆ **Smoke-Free Policies Are Legal:** Smoke-free policies are legal, do not unlawfully discriminate against residents who smoke, and do not violate resident's privacy rights.

Owners/Agents *should* carefully assess the contents of their policies to create a Smoke-Free policy that works. According to the Public Health Law Center's Tobacco Control Legal Consortium, an effective smoke-free housing policy typically includes the following elements:

- ◆ **An introduction** that explains the policy's purpose, which can include information about the dangers of secondhand smoke.
- ◆ **Clear, consistent definitions** of important terms, such as "smoking," "premises", and "common area," to help ensure that the policy is interpreted, implemented, and enforced in ways that effectively protect the entire housing community.
- ◆ **Information on which areas must be smoke-free**, such as common areas, units (new and/or existing), outdoor areas (including patios and balconies), and setbacks from entrances.
- ◆ **Description of who must comply**, such as residents, guest, employees and business visitors.
- ◆ **Disclaimer** that the landlord is not acting as a guarantor of the policy, which helps protect landlords of smoke-free buildings from claims brought as a result of policy violations unknown to the landlord.
- ◆ **Review HUD Notices:** Ground yourself in the basic information. Review HUD Notice PIH-2012-25: AND HUD Notice 2012-22.
- ◆ **Contact Owners/Agents with Smoke-Free Policies:** Discussing the process of going smoke-free with other owners/agents of subsidized or market rate multifamily housing can be invaluable.
- ◆ **Learn about Local Smoke-Free Laws:** The majority of the U.S. population is now covered by smoke-free provisions in workplaces, factories, restaurants, and bars.
- ◆ **Review Examples of Smoke-Free Policies:** Smoke-free policies follow a similar structure and share common elements.

Waiting List Administration

Effective November 28, 2014, HUD published [Housing Notice 2014-16](#) reiterating and clarifying the requirements of opening and closing the waiting list in accordance with the 4350.3 Chapter 4.

When an owner agrees to open his/her waiting list and begins to accept applications, the notice must be announced in a publication likely to be read by potential applicants in the same manner (and if possible, in the same publications) as the notification that the waiting list was closed. The notifications should be all-encompassing, and the rules for applying and the order in which applications will be processed should be stated. Advertisements should include where and when to apply and outreach activities must be done in accordance with applicable fair housing marketing requirements or the HUD-approved Affirmative Fair Housing Marketing Plan. All Fair Housing laws must be followed, and as such, the notice must reach persons with disabilities and limited English proficiency.

The notice also goes on to clarify the mechanism for accepting and logging applications to the waiting list. In order to avoid the stampede effect, owners may consider utilizing a lottery system or other random choice techniques for selecting which applicants will be placed on the waiting list and the order with which to place them. HUD acknowledges that a lottery or other random choice technique may not always be a reasonable way to place applicants on the waiting list; however, if the property is located in a large metropolitan area where there is great potential for a high volume of applicants, it may be more reasonable to utilize a lottery or other random choice method. The ultimate goal is to, where possible; avoid scenarios where there are long lines of applicants waiting to apply for assisted housing.

If a lottery or other random choice technique is used to place applicants on the waiting list and to determine the order in which to place applicants on the waiting list, the date and time the lottery is held should be the date recorded on the waiting list. Any preferences the applicant qualifies for must also be noted on the waiting list. Selecting tenants from the waiting list must be done in accordance with Chapter 4 of HUD Handbook 4350.3, REV-1 including paragraph 4-15.A which requires that, once unit size and preference order is determined, owners must select applications from the waiting list in chronological order to fill vacancies.

As always, owners must advertise in accordance with their Tenant Selection Plan targeting applicants who are least likely to apply. All advertising must contain the Fair Housing logo, slogan or statement and must be published in every publication listed on the owner's Affirmative Fair Housing Marketing Plan. All advertising depicting persons must depict members of all eligible protected classes including individuals from both majority and minority groups, including both sexes.

