



The CA Quarterly Review

North Tampa Housing Development Corporation

Winter

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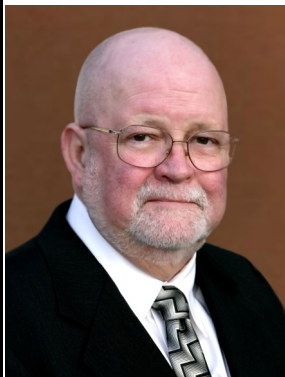
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REMINDER! Be sure to update NTHDC's address on form HUD-9887. The change of address must be listed on all 9887s going forward or a finding may be issued.

New address:

1509 West Swann Ave., Suite
250, Tampa, FL 33606.

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



The possibilities of a new year are always exciting, and as we can see now, challenging as well. As the partial government shutdown continues, all PBCA functions continue but there is limited guidance from HUD. The majority of HUD Multifamily staff have been furloughed with the exception of a few deemed "essential" for certain tasks.

NTHDC appreciates your patience while we navigate this uncharted territory together. If your property is experiencing any difficulties due to the partial government shutdown, please reach out to NTHDC and we will do all we can to assist. Please keep in mind there are tasks, especially funding related, that are solely HUD controlled. If your property is not receiving payment due to lack of funding or an expired contract and there is a Reserve for Replacement Account, HUD will facilitate processing of reserve requests. Requests will require HUD approval.

Properties in NTHDC's portfolio should send completed HUD-9250, directly to Laurelei.Mcknight@hud.gov if serviced from HUD Jacksonville office. If serviced from the Atlanta office requests would be sent to Tawana.L.Anderson@hud.gov. When submitting, please ensure form includes the current balance in the account, a withdrawal amount, and the remaining balance. It should also include a statement confirming that the released funds will be reimbursed to the reserve for replacement account once HUD appropriations funding is restored.

As PBCA, we at NTHDC look forward to our continued working relationship with property owners and agents throughout Florida and the US Virgin Islands. Working together towards the same goal of maintaining well-managed and affordable housing, we will be able to continue to ensure this remains available to families in need. Please let us know how we can be of assistance.

Don Shea

NTHDC Director and Contract Administrator

A-OCAF Rent Adjustments: If you are submitting, have submitted or will be submitting a Utility Analysis Baseline or UAF Form you must check box 2 on the A-OCAF Letter - I elect the automatic OCAF rent increase, and am submitting a Utility Analysis. Box 1 applies only to projects that do not have a Utility Allowance. Please make all effort to submit the utility analysis promptly. HUD encourages all to submit their analysis prior to 150 days, but not before 180 days, from contract anniversary. If you have a UA and check the first box, NTHDC will contact you regarding your submission.

On the 2nd page of the Auto OCAF letter, when completing the Project Name, Owner Name, and Owner Signature please complete as follows:

- Project Name – should be the name listed in IREMs or on your HAP contract
- Owner Name – should be the name of the ownership person or entity listed in IREMS or on your HAP Contract
- Owner Signature – Should be the name of the owner, or representative/agent of the owner authorized to sign for the owner.



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Data Security

Data Security

In mid-December, HUD informed the industry of attempted fraud being committed by an individual posing as HUD staff. HUD informed the industry that Owner/Agents had been called by an individual identifying as HUD staff and in one instance requested bank account and routing numbers, HUD users IDs, Voucher amounts and other specific information. When further questioned by the Owner, the caller disconnected. HUD reminded the industry that HUD staff will never call asking for this type of information and to contact the Property's assigned HUD Account Executive if such a call is received.

As your PBCA, we would like to remind you of HUD's requirement to protect the privacy of individual's information and provide some further suggested guidance to better assist in enhancing the data security measures at your place of business. The steps that we will discuss to help ensure guidance include:

- Create (and adhere to) a written policy and procedures manual.
- Review HUD policy for safeguarding Personal Identifying Information (PII)
- Attend Security trainings
- Never send a document to the PBCA with PII

Protecting Privacy Information

The Department of Housing and Urban Development (HUD) is committed to protecting the privacy of individuals' information, stored electronically or in paper form, in accordance with the Privacy Act of 1974, as amended, and other federal privacy-related laws, guidance, and best practices. HUD expects its third party business partners who collect, use, maintain, or disseminate HUD information to protect the privacy of that information. Definitions that will be used through this article include:

- Personally Identifiable Information (PII). Defined in OMB M-07-16 as "...information which can be used to distinguish or trace an individual's identity, such as their name, social security number, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc."
- Sensitive Personally Identifiable Information (SPII). PII that when lost, compromised or disclosed could substantially harm an individual. Examples of sensitive PII include social security or driver's license numbers, medical records, and financial account numbers (credit or debit card numbers).

Create a Written Data Security Policy

Chapter Nine, Section Four of the HUD Occupancy Handbook (4350.3) provides the guidance and security requirements that properties need to implement to safeguard EIV data. However, EIV policies and procedures should be a subset of an overall strategy and policy handbook to safeguard all potential tenant/applicant PII that HUD requires to be collected and maintained.

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Data Security (continued)

As the opening paragraph reminds, data security is much more than protecting PII, a comprehensive policy should discuss Phishing attempts, using Social Media, and protecting all forms of sensitive information that is maintained in your place of business. We strongly recommend a comprehensive written policy that takes into consideration multiple HUD sources that we will discuss in this article.

Review HUD Policy

HUD has created and published numerous handbooks and materials that discuss the various requirements for data security. When creating a comprehensive plan, be sure, at minimum to review these resources:

- HUD Handbook [4350.3 Rev-1 Change 4: Chapter 9](#) section four contains the required information to safeguard HUD's EIV information.
- HUD Handbook [4350.3 Rev-1 Change 4: Chapter 5](#) paragraphs 5-19, 5-20, 5-23 discuss the framework to ensure privacy of applicant and tenant information
- HUD Handbook [4350.3 Rev-1 Change 4: Chapter 8](#) paragraph 8-14 emphasizes the importance of privacy requirements when obtaining criminal background reports and , 8-20 discusses EIV income reports
- Chapter Four of the [EIV Multifamily Program User Manual](#) provides specific Security information and guidance that must be adhered to when developing Policies and Procedures.
- [The Security Administration Manual for EIV Systems](#) provides an overview and details the process for how access to the EIV system is granted. The guidance found within this document should be reviewed when determining who to grant access to EIV, how to grant the applicable access, and how to terminate that access.
- HUD Handbook [2400.25 TECHNOLOGY SECURITY POLICY](#) is the comprehensive overview of all of HUD's policies and safeguards. This handbook should be reviewed by the person developing the project's policy and procedures documents as well as the person/company responsible for maintaining the property's computer system.

The most succinct publication for protecting privacy information can be found in HUD's 2015 [Protecting PII Capacity Building Guidance](#) document distributed by HUD. For your convenience, we have summarized this document's guidance here:

Manage Access to Sensitive PII

- a. Only share or discuss sensitive PII with those who have a need to know for work purposes.
- b. Do not distribute or release sensitive PII to others until the release is authorized.
- c. Before discussing sensitive PII on the telephone, confirm that you are speaking to the right person and inform him/her that the discussion will include sensitive PII. Do not leave messages containing sensitive PII on voicemail.

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Data Security (continued)

- d. Avoid discussing sensitive PII if there are unauthorized persons in the adjacent cubicles, rooms, or hallways who may overhear your conversations.
- e. Hold meetings in secure spaces (no unauthorized access or eavesdropping possible) if sensitive PII will be discussed.
- f. Treat notes and minutes from such meetings as confidential unless you can verify that they do not contain sensitive PII. Record date, time, place, subject, chairperson, and attendees at any meeting involving sensitive PII.

Protect Hard Copy and Electronic Files Containing Sensitive PII

- a. Clearly label all files containing sensitive PII. Examples of appropriate labels might include – For Official Use Only, or For [Name of Individual/Office] Use only.
- b. Lock up all hard copy files containing sensitive PII in secured file cabinets. Do not leave sensitive PII in an open area unattended.
- c. Protect all media (e.g., thumb drives, CDs, etc.) that contain sensitive PII and do not leave unattended. This information should be maintained either in secured file cabinets or in computers that have been secured.
- d. Keep accurate records of where PII is stored, used and maintained.
- e. Periodically audit all sensitive PII holdings to make sure that all such information can be readily located.
- f. Secure digital copies of files containing sensitive PII. Protections include encryption, implementing enhanced authentication mechanisms such as two-factor authentication and limiting the number of people allowed access to the files.
- g. Store sensitive PII only on workstations that can be secured, such as workstations located in areas that have restricted physical access.

Protecting Electronic Transmissions of Sensitive PII via fax, email, etc.

- a. When faxing sensitive PII, use the date stamp function, confirm the fax number, verify that the intended recipient is available, and confirm that he/she has received the fax. Ensure that none of the transmission is stored in memory on the fax machine, and that all paper waste is disposed of properly (shredded). If possible, use a fax machine that uses a secure transmission line.
- b. When sending sensitive PII via email or via an unsecured information system, make sure the information and any attachments are encrypted.
- c. If a secure line is not available, contact the recipient office prior to faxing to inform them that information is coming. Then, contact the recipient office following transmission to ensure they received

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Data Security (continued)

- it. For each event, the best course of action is to limit access of PII only to those individuals authorized to handle it, create a paper trail, and to verify information reached its destination.
- d. Do not place PII on shared drives, multi-access calendars, the Intranet, or the Internet.
- e. Do not let PII documents sit on a printer where unauthorized employees or contractors can have access to the information.

Protecting Hard Copy Files Containing Sensitive PII

- a. Do not remove records with sensitive PII from facilities where HUD information is authorized to be stored, or access remotely (i.e., from locations other than such physical facilities), unless approval is first obtained from a supervisor.
- b. Do not use interoffice or translucent envelopes to mail sensitive PII. Use sealable opaque solid envelopes. Mark the envelope to the person's attention
- c. When using the U.S. postal service to deliver information with sensitive PII, double wrap the document (use two envelopes – one inside the other) and mark only the inside envelope as confidential with the statement – To Be Opened by Addressee Only.
- d. If PII needs to be sent by courier, mark "signature required" when sending documents, in order to create a paper trail in the event items are misplaced or lost.

Records Management, Retention and Disposition

- a. Follow all applicable records management laws, regulations, and policies.
- b. Do not maintain records longer than required.
- c. Destroy records after retention requirements are met.
- d. Dispose of sensitive PII appropriately – permanently erase electronic records. Shred hard copy records.

Attend Additional Security Trainings

HUD requires all TRACS users and EIV users (or those that view EIV reports) to sign a Rules of Behavior form and complete an annual security awareness training. This training is currently located here <https://iatraining.disa.mil/eta/cyber-awareness-challenge/launchPage.htm> Users are reminded of the requirement to print and maintain the certificate as this will be requested during the onsite portion of the MOR.

In addition to the required training session, there are a few additional trainings located at the IASE web page. It is highly suggested to have staff members also complete the following training modules.

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Phishing Awareness Version 4.

This training was created to enable users to recognize phishing, spear phishing, and whaling attempts, determine the steps to take when targeted in a phishing attempt, and to take appropriate actions to avoid the potential losses that these social engineering scams can cause. The user is provided with examples of different types of phishing, as well as techniques used to conduct phishing, including deceptive e-mails, websites, and browser “tab nabbing”. Finally, the course reviews ways to combat phishing attempts, even from people within their own organization. (Length - 30 Min)

Identifying and Safeguarding Personally Identifiable Information (PII) Version 2

This course explains the responsibilities for safeguarding PII and PHI on both the organizational and individual levels, examines the authorized and unauthorized use and disclosure of PII and PHI, and the organizational and individual penalties for not complying with the policies governing PII and PHI maintenance and protection. This training is intended for DoD civilians, military members, and contractors using DoD information systems. This course may also be used by other Federal Agencies. (Length - 1 hr)

Never send a document to your PBCA that contains PII that has not been redacted

Despite the information contained within our letters and reports, there are still occasions when Owners will send documents to the PBCA that contain PII. Please update your procedures to address the following concerns.

MOR responses

Never send a paper certification to respond to a finding on an MOR. All corrected certifications can be reviewed and verified within our vouchering software. The finding will be closed out once the corrected certification is transmitted and approved via the typical vouchering protocol.

Never send any form of EIV report with your response. Although the Handbook and HUD specifically focus on income reports when discussing PII, the PBCA requests that no EIV reports are ever electronically submitted to the PBCA. The PBCA, if needed, can either verify via the EIV system or via the tenant file documentation during a subsequent visit to the property.

Special Claims Submissions

In our experience, the single largest breach of HUD’s security policy occurs when Owner/Agents submit materials to support a special claim. Prior to sending information to the PBCA, **REDACT** all information from Section C, Section D, and Section E from the MI 50059. This information is not required for the review and approval of the special claim.

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In addition to this specific item, ensure that all potential Personal Information is redacted from all documents sent to support a special claim. If in doubt, redact from the document prior to submission and error on safeguarding tenant PII. If needed, the PBCA can follow-up with a phone call to discuss a specific omission.

It was not luck which prevented the caller in the opening paragraph to be successful in obtaining the requested information. The Owner was aware of this kind of situation, probably completed at least one security-training course, and likely had a written protocol in place to notify HUD of the potential breach.

Take a moment to review the policies and procedures that are currently in place at your property, review the resources that have been mentioned in this article, update your documents accordingly, and disseminate/educate all of your employees of the expectations to maintain the integrity of the data security at your place of business.

Remember, in today's world it is easy to be tricked, and it only takes once. When in doubt, always ask questions. Request the caller's contact information, they will either hang up, or give it to you. Reach out to HUD, provide the information to the Account Executive, and enable the AE to respond.

Quick Tips

As we enter another New Year, your reality may be cold, harsh, long enduring winters (hello New York, Ohio, DC). If you're lucky, your winter low may not creep below 40 or 50 degrees (hey there California and Florida). No matter the reality you are facing, here are a few quick tips for the New Year and perhaps cold (ish) weather.

- Provide instructions regarding the proper disposal of Christmas Trees/Wreaths to your tenant population.
- Remind tenants of any House Rules with respect to ornaments or decorations around their door or hallways (which may create a fire hazard).
- Remind residents to check/test the batteries on their smoke alarms.
- Decide if your property allows space heaters and if tenants need management approval for them.
 - If space heaters are allowed, communicate to your tenants the acceptable space heaters to use;
 - Along with this, provide some fire prevention tips when using space heaters. For example place space heaters in an open location on sturdy ground, away from walls and furniture. Ensure that space heaters are never left on when you leave your apartment.
- Make sure your residents are aware of who to call for 'no heat' emergencies. Be sure that number is posted and easy to find after hours.
- Post your properties snow removal procedures/parking policies.



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VAWA FAQs

In March 2013, the Violence Against Women Reauthorization Act of 2013 (VAWA 2013) was signed into law. VAWA guidance applies to properties assisted by the Project-based Section 8, Section 202 Supportive Housing for the Elderly, Section 811 Supportive Housing for Persons with Disabilities, Section 236 Multifamily Housing, and Section 221(d)(3) Below Market Interest Rate Programs.

In November 2016, HUD issued the [VAWA Final Rule](#) implementing VAWA 2013 for HUD's Housing Programs. The VAWA Final Rule includes core protections across HUD programs, ensuring individuals are not denied assistance, evicted, or have their assistance terminated because of their status as survivors of domestic violence, dating violence, sexual assault, or stalking, or for being affiliated with a victim. In June 2017, HUD's Office of Multifamily Housing Programs issued [H 2017-05](#), providing guidance to owner/agents of HUD-assisted Multifamily Housing the final rule implementing the VAWA Act of 2013.



Owner/agents of HUD Multifamily Housing programs are encouraged to utilize the guidance found in Notice 2017-05 in conjunction with the VAWA Final Rule. Further, in October 2017 HUD published a set of [VAWA FAQs](#) to provide clarification on questions that have come from the industry.

The FAQ's that are highlighted below represent only a fraction of the HUD published FAQ's, therefore this list is not all encompassing. We have opted to highlight the below FAQs as they are indicative of continued issues that arise during the on-site portion of the Management and Occupancy Review (MOR) conducted within our jurisdictions. You are encouraged to be familiar with H 2017-05, the VAWA Final Rule, and the VAWA FAQs in order to successfully enact VAWA protections at your Multifamily Housing property.

Notice of Occupancy Rights and Certification Form

7. **Question:** O/As are typically not permitted to change OMB approved forms without HUD approval. Is it acceptable to change the Notice of Occupancy Rights (form HUD-5380) and Model Emergency Transfer Plan (form HUD-5381)?

Answer: O/As may customize the Notice of Occupancy Rights (form HUD-5380) to reflect the type of assistance provided under the specific housing program and specify the program operations that may pertain to or affect VAWA. However, O/As must not change the form's core protections and confidentiality provisions. The Model Emergency Transfer Plan (form HUD-5381) is a model form and provides guidance for completing a comprehensive plan. Using the model as is will not satisfy VAWA's Emergency Transfer Plan requirement. The O/A must add to the model form and customize it to meet the VAWA emergency transfer requirements. See Emergency Transfer Q&A's for additional detail.

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VAWA FAQs (continued)

10. **Question:** Do O/As have to give the Notice of Occupancy Rights (form HUD-5380) and the Certification Form (form HUD-5382) to each household or to each member of a household?

Answer: Only one set of forms - Notice of Occupancy Rights (form HUD-5380) and the Certification Form (form HUD-5382) - must be given to each household.

11. **Question:** Are resident and applicant files required to include evidence that Management issued the Notice of Occupancy Rights? If so, is it acceptable if O/As have in the resident/applicant files an acknowledgement form demonstrating that the notice was received by each household?

Answer: Although the VAWA Final Rule does not require applicants/tenants to sign acknowledgement of receipt of the forms, it is strongly recommended that O/As maintain a note or other documentation in each tenant file that indicates each applicant/tenant was provided the Notice of Occupancy Rights (form HUD-5380) and Certification Form (form HUD-5382) at each of the following times:

- Household annual recertification between December 16, 2016 and December 15, 2017;
- At the time an applicant is denied assistance or admission;
- At the time the household is provided assistance or admission (i.e. at move-in), and
- With any notification of eviction or termination of assistance. Note that O/As do not need to provide the forms with subsequent notices sent for the same infraction.

12. **Question:** It is unclear how often the Notice of Occupancy Rights (form HUD-5380) and Certification Form (form HUD-5382) must be given relative to evictions and termination of assistance. Is an O/A required to give both forms with all noncompliance notices for Annual Recertifications?

Answer: The Notice of Occupancy Rights (form HUD-5380) and the Certification Form (form HUD-5382) must be provided to the household with the first notice of termination of assistance or eviction. It is not necessary to resend these forms with subsequent notices for the same termination or eviction action.

14. **Question:** Must an O/A provide the Notice of Occupancy Rights (form HUD-5380) and Certification Form (form HUD-5382) when a resident's rental assistance is terminated due to increased income? What happens at a later point if that resident becomes eligible for rental assistance again, because his/her income decreases?

Answer: Yes, O/As must provide the Notice of Occupancy Rights (form HUD-5380) and Certification Form (form HUD-5382) with any type of termination of assistance notice. Assistance (if available) may be reinstated if the household becomes eligible for assistance at a later date.

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VAWA FAQs (continued)

Emergency Transfers

16. **Question:** It does not appear that the Model Emergency Transfer Plan (form HUD-5381) contains all the required elements of the VAWA Final Rule. Will the property be in compliance if this Model Emergency Transfer Plan is utilized?

Answer: The model form contains only general provisions of an Emergency Transfer Plan that apply across HUD programs. Adoption of this model plan without further information will not be sufficient to meet an O/A's responsibility to adopt an emergency transfer plan. O/As must consult applicable regulations and program-specific HUD guidance when developing their own emergency transfer plans, to ensure their plans contain all required elements.

17. **Question:** Is there a sample acknowledgment form for the residents to sign stating that they have received a copy of the property's Emergency Transfer Plan?

Answer: No. O/As are not required to individually distribute the Emergency Transfer Plan to tenants. However, O/As must make their Emergency Transfer Plans available upon request and, when feasible, make copies readily available to the public.

19. **Question:** Are applicants eligible for an emergency transfer?

Answer: No. Applicants are not eligible for emergency transfers. However, O/As may adopt an admission preference for applicants who are victims of domestic violence, dating violence, sexual assault, or stalking. Without that preference, the applicant will be placed at the end of the admission waiting list.

21. **Question:** When a resident fear for his/her life, switching units within a property (internal transfer) might not be sufficient to ensure his/her safety. Can a resident be moved to another property as an emergency transfer?

Answer: Yes. If a unit within the current property (internal transfer at Property A) is not deemed to be a safe unit, the resident may request help in moving to another property (external transfer at Property B). However, if Property B has not adopted a preference for victims of domestic violence, dating violence, sexual assault, or stalking, then the tenant that was at Property A will become an applicant at Property B, and will be placed at the end of Property B's waiting list.

To accept an external transfer, Property B must follow established screening guidelines to ensure the new applicant meets eligibility criteria. Qualifying for an emergency transfer does not guarantee continued assistance under the program or an external transfer to another covered housing program. The emergency transfer requirements do not supersede any eligibility or occupancy requirements that apply under a covered housing program.

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VAWA FAQs (continued)

23. **Question:** Are there additional requirements the Emergency Transfer Plan must address such as a transfer request to a property that is fully occupied?

Answer: The VAWA Final Rule does not specifically address a transfer request to a property that is fully occupied. The Emergency Transfer Plan must, however, describe reasonable efforts the O/A will make to help residents who request an external emergency transfer. O/As may include a procedure to help residents in cases where other possible properties are completely occupied.

Lease Addendum

26. **Question:** Is each adult household member required to sign a separate VAWA Lease Addendum (form HUD-91067) or can management add additional signature lines so all adult household members can sign just one form?

Answer: Each adult household member must sign the VAWA Lease Addendum form. HUD will add additional signature lines in the updated VAWA Lease Addendum (form HUD-91067).

27. **Question:** Does the VAWA Lease Addendum (form HUD-91067) apply to 202 PRAC and 811 PRAC properties?

Answer: HUD is in the process of updating the VAWA Lease Addendum (form HUD-91067) to include 202/811 PRAC properties. Therefore, 202/811 PRAC properties should wait to implement the VAWA Lease Addendum until the form is updated and issued by HUD. Similarly, projects funded with 811 Project Rental Assistance (PRA), 202 Senior Preservation Rental Assistance Contract (SPRAC), and 202 Project Assistance contract (PAC) funds should also wait and use the updated Lease Addendum once it is available.

28. **Question:** Will HUD be revising the VAWA Lease Addendum (form HUD-91067) to include a bifurcation clause?

Answer: Yes. The VAWA Lease Addendum (form HUD-91067) will be modified to include a bifurcation clause.

Other Questions

36. **Question:** When a resident requests VAWA protections, can an O/A require the applicant or tenant to obtain a restraining order as documentation of the victim's status?

Answer: No, the O/A cannot require the tenant to obtain a restraining order as a way to document victim status. While the VAWA Final Rule allows O/As to require tenants to submit documentation showing the applicant or resident is or has been a victim of domestic violence, dating violence, sexual assault, or

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VAWA FAQs (continued)

stalking, The VAWA Final Rule prohibits an O/A from requiring the victim to provide third-party documentation of victim status, except in the case of conflicting information. When requesting documentation of victim status or an incident of domestic violence, dating violence, sexual assault, or stalking, the O/A must accept any of the types of documentation listed in the VAWA Certification form, HUD-5282.

39. **Question:** Are O/As required to maintain documentation of VAWA claims in a file separate from tenant leasing folders?

Answer: Yes. The VAWA Final Rule does not require VAWA documentation to be maintained in a specific location. However, HUD's VAWA regulation restricts disclosure of VAWA information to individuals other than the victim unless specific conditions are met. O/As must not enter confidential information into any shared database. Because domestic violence often occurs within the household, and the members of the household can review the tenant file, the regulation calls for confidential record keeping in a location other than the tenant file. This requirement is also stated in HUD's Occupancy Handbook 4350.3. The Handbook requires O/As to retain all documentation relating to an individual's experience with domestic violence, dating violence, sexual assault, or stalking in a separate file that is kept in a separate secure location from other tenant files.



If you are not already receiving this publication via e-mail, or if you have ideas, suggestions or questions for future publications, we'd like to hear from you.

Please visit the [NTHDC website](http://www.nthdc.org)

OR

send an email to

michelle.thomas@cgifederal.com



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Tenant Notification Requirements

HUD requires that whenever an adjustment to the utility allowance results in a decrease and/or there is a request to increase the maximum permissible rents, when requesting anything other than the OCAF, the owner/agent must notify the residents and allow a 30 day comment period. This comment period should expire prior to sending the submission to the contract administrator. Any resident comments received should be sent to the CA along with the "Owners Certification as to Compliance with Tenant Comment Procedures in 24 CFR 245." The owner's certification should be dated **after** the 30 day tenant notice has expired. For example: if the tenant notice was dated 12/1/2018 the owner's certificate should be dated no earlier than 12/31/18.

As the comment period should expire prior to sending the submission to the CA, it is very important to ensure a compliant resident notice. If required elements are missing from either notice, it could delay the approval of the rent increase for an owner/agent. The rent increase notice is required to have current and proposed rents listed, whereas the UA decrease notice does not require figures to be listed. Please see below for the requirements in each notice.

A compliant 30 Utility Allowance Decrease Notice must contain the following information:

- (a) The mortgagor intends to submit a request to HUD for approval of the covered action or actions specified in the notice;
- (b) The tenants have the right to participate as provided in §245.420, and what those rights are, including the address at which the materials required to be made available for inspection and copying under that section are to be kept;
- (c) Tenant comments on the proposed covered action may be sent by the mortgagor at a specified address or directly to the local HUD office, and comments sent to the mortgagor will be transmitted to HUD, along with the mortgagor's evaluation of them, when the request for approval is submitted;
- (d) HUD will approve or disapprove the proposed action, based upon its review of the information submitted and all tenant comments received. In the case of a proposed reduction in tenant-paid utilities, the notice must also state that HUD may adjust the proposed reduction upward or downward; and
- (e) The mortgagor will notify the tenants of HUD's decision and it will not begin to effect any approved action (in accordance with the terms of existing leases) until at least 30 days from the date of service of the notification.

A compliant Rent Increase Notice must contain the following information:

- (a) The mortgagor intends to submit a request to HUD for approval of the covered action or actions specified in the notice;
- (b) Reasons the rent increase is needed;
- (c) Rent Grid that includes bedrooms, present rent, proposed increase, and proposed rent (*separate columns for basic and market rent should be used only for projects assisted under section 236 of the National Housing Act. In addition, projects with more than one type of apartment having the same number of bedrooms but different rents, each type should be listed separately*);

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Tenant Notification Requirements (continued)

- (d) The tenants have the right to participate as provided in §245.420, and what those rights are, including the address at which the materials required to be made available for inspection and copying under that section are to be kept (*the materials to be made available to tenants for inspection and copying are those specified in § 245.315*);
- (e) Tenant comments on the proposed covered action may be sent by the mortgagor at a specified address or directly to the local HUD office, and comments sent to the mortgagor will be transmitted to HUD, along with the mortgagor's evaluation of them, when the request for approval is submitted;
- (f) HUD will approve or disapprove the proposed action, based upon its review of the information submitted and all tenant comments received. In the case of a proposed reduction in tenant-paid utilities, the notice must also state that HUD may adjust the proposed reduction upward or downward;
- (g) *In the case of a proposed conversion of residential units, partial release of mortgage security, or major capital additions to the project, the proposed action may require the owner to request HUD approval of a rent increase; and*
- (h) The mortgagor will notify the tenants of HUD's decision and it will not begin to effect any approved action (in accordance with the terms of existing leases) until at least 30 days from the date of service of the notification.

Per the section 8 renewal guide, should a notice need to be issued for both a rent increase and a utility allowance decrease, a single notice is sufficient if the owner clearly identifies both items in the notice.

Sample 30 day Utility Allowance notices are located within the state website and can be found at: [Sample UA Notice NTHDC](#)

A sample rent increase notice can be located within [§245.310 Notice to tenants](#).

The CA encourages the owner/agent to use the samples provided as it will ensure that all required elements are present and there will be no delay in processing. If required elements are missing, the CA may require a repost of the notice and this may delay the rent adjustment or funding of the contract renewal. Owners are encouraged to read and understand the tenant notice requirements located at 24 CFR 245.410.

For posting requirements of the above notice, please refer to § 245.15 Notice to tenants. The notice must be served by delivery, except, for a high-rise project, the notice may be served either by delivery or by posting. If service is made by delivery, a copy of the notice must be delivered directly to each unit in the project or mailed to each tenant. If service is made by posting, the notice must be posted in at least three conspicuous places within each building in which the affected dwelling units are located and, during any prescribed tenant period, in a conspicuous place at the address stated in the notice where the materials in support of the mortgagor's proposed action are to be made available for inspection and copying. Posted notices must be maintained intact and in legible form during any prescribed notice period

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Tenant Notification Requirements (continued)

Once approval of the rent adjustment is received from the CA via executed rent schedule, a 30 day notice of rent increase is required to be sent to each tenant outlining what their new rent will be. Per Chapter 6, 6-11, B.3 – the notice **must** state:

- (a) The reason for the increase; and
- (b) That it revises the rent at the following paragraph(s):
 - (1) Paragraph 3 of the Model Lease for Subsidized Programs;
 - (2) Paragraphs 2 and 5 of the Model Lease for Section 202/8 and Section 202 PACs; and
 - (3) Paragraphs 2 and 4 of the Model Leases for Section 202 PRACs and Section 811 PRACs.

HUD provides a sample rent increase notice within HUD Handbook 4350.3 Exhibit 7-6

Should you have any property specific questions or general questions about the Utility Allowance Requirements or Rent Increase Notice requirements, please contact your [contract specialist](#).





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Special Claims and the Waiting List

When submitting a Special Claim to your Contract Administrator (CA) for approval, there are many HUD required documents. One of those required documents is the Waiting List. The Waiting List is also one of the documents that commonly contains an error within a claim. A frequent mistake involves the waiting list being sorted alphabetically instead of by date, or when there are no comments included to support why someone was moved in ahead of another person. This makes it difficult for the reviewer to know if the new move in tenant was from the waiting list and next in line.

The waiting list is also reviewed at the MOR in a more detailed manner. This article will briefly discuss HUD requirements of a waiting list and what the CA is looking for in their review.

Figure 4-5: Sample Waiting List Format

Date of Application	Time of Application	Head of Household	Unit Size	Income Level			Need for Accessible Unit		Comment/Contact	Removed/Rejected Date	Move-in Date	Preference Type
				ELI	VLI	LI	Y	N				
12/3/01	10:30 AM	Mary Tate	2	X				X				Working family preference; Elderly preference
12/4/01	1:00 PM	Hiroshi Kihara	2		X		X					

Above is Figure 4-5 from the 4350.3 Chapter 4 and contains an example of what an acceptable waiting list looks like.

HUD requires the following data (taken from the application) to be included on the waiting list:

- 1) Date and time the applicant submitted an application;
- 2) Name of head of household;
- 3) Annual income level (extremely low-income, very low-income, and low-income);
- 4) Identification of the need for an accessible unit, including the need for accessible features;
- 5) Preference status;
- 6) Unit size needed; and
- 7) A space to enter comments or contact notes (this is important for an outside reviewer to understand how your waitlist was being used).

Pertaining to a Special Claim, the reviewer is examining the waiting list to verify which applicant had been selected as the new move in tenant. When a unit becomes vacant, the owner must select the next applicant from the waiting list based on the unit size available, preference established for the property, income-targeting policies and requirements, disclosure and verification of SSN and screening policies applied by the owner. The owner must select the first name on the waiting list for the appropriate unit size (or list of names for units reserved for disabled applicants) and make a final determination of eligibility and suitability for tenancy.

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Special Claims and the Waiting List (continued)

The person reviewing the claim must be able to determine if the new move in tenant was indeed next in line.

- If the waiting list is sorted alphabetically, it is very difficult to determine if the tenant being moved in was the next in line or how they were selected, this may delay the processing of a special claim.
- When a tenant is moved in from the waiting list, and appears to be out of order the reviewer will look for comments on the waiting list to determine the reasoning behind the order of move in.
- If there is not sufficient notation found on the waiting list, the claim will be denied. The reviewer will also alert the staff member responsible for conducting the next scheduled Management and Occupancy Review.
- If the new move in tenant was not from the waiting list, an owner must provide their most recent marketing efforts for the period of time during that vacancy. Owners should keep in mind that marketing documentation must contain the Fair Housing logo.

An owner should review the waiting list, and update as necessary, on an annual or semi-annual basis to ensure that applicant information is current and that any names that should no longer be on the list are removed. Ensure that when submitting a special claim, the waiting list contains the necessary comments section to support the order of move in tenants and ensure that the list is sorted by order of application and not alphabetically.

To read more about Waiting Lists including updating the waiting list and how to select tenants from the waiting list please see HUD Handbook 4350.3 Chapter 4 starting with [Section 4-16](#).

Your property may be coming due for a Baseline Utility Allowance submission based on the triennial cycle. You are reminded to reference the [Winter 2017 Edition of the NTHDC Quarterly Newsletter](#) for an in-depth article on how to prepare and submit a Baseline. You may also reference [NTHDC's website](#) for additional guidance regarding Baseline submission requirements. We encourage Owner/ Agents to use the 'sample Utility Analysis Workbook' link on NTHDC's website.



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)

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Contact Center (800) 982-5232