

OASHS Conference

November 6, 2008

1. Waiting Lists Tips

- You do not need authorization from HUD to follow applicant requests, but you do need to demonstrate to HUD that your waiting list is adequate to fill vacant units or that you are conducting sufficient outreach to bring applicants to your project.
- If you allow applicants to express preferences regarding units, you should address this in your Tenant Selection Plan (TSP). The plan should also be clear about when applicants will be removed from the waiting list. Managers should not be using a lot of administrative time to maintain people on a waiting list if they are not going to move into the project.
- The waiting list that is submitted with a special claims request for vacancies should clearly annotate information about dates and outcomes of contacting applicants about specific vacant units and if tenants with preferences are not contacted because the unit does not match their needs. The waiting list should demonstrate that owners/agents are taking all feasible actions to fill the vacancy in a timely manner.

2. OMB Leases

- The new model leases may not be amended.
- Proposed lease changes must be supported by citation of state or local law or relevant case law by the requestor. The lease may not be changed; however, an addendum must be used to make the necessary changes to the lease as required by state law.
- The proposed addendum and supporting citation of state or local law or relevant case law must be submitted to the HUD Project Manager for approval.

3. Special Claims Tips

Below is a list of what the Special Claims Reviewer is looking for:

- The owner is required to make every feasible effort to lease the unit in a timely manner.
- If there is a waiting list, applicants should be contacted as soon as the owner knows a unit is going to be vacated, not after the unit is ready to rent.
- If there is no waiting list or no one on the waiting list is available, (for example applicants do not want a particular type of unit or cannot move at the time), the claim should document what is being done to advertise the project. If advertising in the local newspaper is not sufficient to bring adequate numbers of applicants, other outreach must be done.
- The claim is submitted within the 180 day timeframe.

- The package is complete and all required documentation is included.
- All forms are signed.
- The correct security deposit was collected.
- Talk to the HUD Project Manager or OHCS Contract Administrator for questions on specific situations.
- Refer to HUD Handbook 4350.3, Chapter 9 and the Special Claims Processing Guide for requirements.
- The Daily Contract/Operating rent must be calculated correctly.

4. Budgets and Reserve for Replacements Adjustments

- The budget-based rent approval process includes looking at the overall financial picture. A large balance in the reserve account suggests that the deposit may be reduced or suspended, absent any anticipated upcoming major capital expense.
- As part of the proposed rent package, the owner/agent should submit a projection of capital items it will need over the next 5 years. The costs should be accurately reflected.
- Technically, if the rent amounts are determined via a budget approach and the deposits are reduced, the rents are directed to be reduced also.

5. Resident Complaint Process

- If OHCS or HUD staff are contacted by a tenant, they are generally referred to the on site manager to discuss the issue/concern.
- If this is not an option (tenant wants to be anonymous or they mention that they have already discussed w/onsite) then OHCS or HUD staff will handle the complaint. Generally agent will be contacted at this time to get the full picture.
- If OHCS is the contract administrator, HUD will refer the tenant complaint to OHCS for follow-up; otherwise, HUD will encourage the tenant to submit a letter to HUD detailing the issues, which will be transmitted to the management agent for their direct response to the tenant with cc to HUD.

7. REAC Physical Inspection appeal process

http://www.hud.gov/offices/reac/products/pass/pass_guideandrule.cfm

Two types of appeals – Database Adjustment (DBA) and Technical Review. (TR)

- Timeframes must be met or the request will be rejected without review
- DBA: 45 days for Multifamily Project owners/agents (POA)
- TR: 30 Days for Multifamily Project owners/agents (POA)
- 15 days for either for Public Housing Agencies
- Submit as much supporting documentation as possible
- See attached handout for details.

8. Section 232 Transition

- Effective September 1, 2008 processing of new development applications transferred from MFH to the Office of Insured Health Care Facilities (OIHCF)
- Effective December 1, 2008 all Asset Management functions will be transferred from MFH to the Office of Insured Health Care Facilities (OIHCF)
- Effective October 10, 2008 Thirty (30) Section 232 projects have been transferred from Portland MFH to the Seattle OIHCF for Asset Management functions.
- Effective December 1, 2008 the remaining Fifteen (15) Section 232 projects will be transferred from Portland MFH to the Seattle OIHCF for Asset Management functions.
- As a result of the Section 232 projects transfer, Cynthia Ingebretson has been reassigned to the CA Team.

9. HUD Staff Management Occupancy Reviews (MORs)

- The MORs, which are conducted by HUD staff, will be focused on the projects with PRACs this year, especially those which have not ever been reviewed or where reviews have not been done in several years or longer.

10. Energy Conservation Measures

- Encourage the purchase of Energy Star items from the R4R account;
- Can request the use of RR for energy efficient upgrades
- Encourage the use of the Energy Efficient Rehab Advisor (www.hud.gov)
- If HUD-insured, M2M is an option and “green initiatives” can be built into loan
- Energy Efficient Utility Allowance

11. Resident Services Coordinator

- HUD Handbook 4381.5 Management Agent – Chapter 8
- RSC can be funded out of competitive grants through the NOFA process
- RSC can be funded out of Residual Receipts
- RSC can be funded out of operating budget

12. Budget-Based rent increase tips

- The owner/agent should make sure they fully explain the rationale behind specific line items, in particular when they have increases or unusual situations.
- Supporting documentation for increased costs should be submitted where available.
- Keep in mind that HUD must look at the last annual financial statement rather than year to date annualized expenses. Documentation of budget projections are triggered via the financial statement amounts.
- Salaries should be explained (hourly salary and number of hours charged to the project).
- Some owners/agents do not appropriately charge the operating account for personnel performing front line occupancy and bookkeeping duties. (See handbook 4381.5, Ch 6, Sec. 4)
- The cost of the manager's unit should be included as an administrative expense.
- The PM may adjust the proposed budget line items if necessary so that the account classification of expenses correspond to the appropriate HUD account in the audit

13. Latest HUD releases

What's New website covers such topics as:

<http://www.hud.gov/local/shared/working/r10/mf/whatsnew.cfm?state=wa>

- SAVE (Systematic Alien Verification Enterprise)
- Sample Use Agreements in HUDClips
- Excess Income reporting
- Addendum B signatures
- Final Rule on Student Rule
- APPS business partner registration
- Renewal Policy changes
- EIV
- Model Lease Q&As
- Model Leases in HUDClips