



The CA Quarterly Review

Spring 2013 Edition

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North Tampa Housing Development Corporation

**From the Desk of Cedric Hernandez,
State Program Manager**

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We recently completed the first of three EIV training sessions scheduled throughout the state and will be in Jacksonville and the Ft. Lauderdale area in the coming months. Because of the overwhelming response to these trainings; we have had to limit registrations. For those who were unable to attend the training, notes are posted to our website. We appreciate the positive response and anticipate providing additional training opportunities in the future.

It was a pleasure meeting and speaking to those of you who attended the training in Tampa.

Overall, things continue to go well and we remain committed to providing superior service to you as your Contract Administrator. As for the PBCA Rebid, on February 19, 2013, the PBCA NOFA process was contested in the Court of Federal Claims. All sides presented their arguments and a decision will be made by the presiding Judge in the near future. NTHDC is operating under the current extension which extends the PBCA contract through June 30, 2013. As always, we will ensure you are informed of any future developments.

NTHDC is now in its 9th year of operations as the PBCA for the State of Florida. The contract officially started on December 1, 2004. Don Shea, Director and Contract Administrator, led NTHDC through the initial start-up phase of the contract and then the formal beginning of duties in December 2004. We are thankful to continue to serve as your PBCA and appreciate Don and his efforts to ensure the on-going success of NTHDC. We are confident NTHDC, under Don's leadership, will continue to serve you as the Florida PBCA for many years to come.

Cedric Hernandez
NTHDC State Manager, Florida & U.S. Virgin Islands

What's New on HUDClips

Posted Date

03/06/2013	<u>HUD-2530</u>	Previous Participation Certification
2/21/2013	<u>Housing Notice 2013-03</u>	HUD Office of Multifamily Development Radon Policy
2/15/2013	<u>FR-5508-F-02</u>	Implementation of the Fair Housing Act's Discriminatory Effects Standard
2/13/2013	<u>Housing Notice 2013-05</u>	Hurricane Sandy/Superstorm Response- Expedited Processing for FHA Multifamily Mortgage Insurance Applications
2/8/2013	<u>Housing Notice 2013-04</u>	Fiscal Year 2013 Interest Rate for Section 202 and Section 811 Capital Advance
1/18/2013	<u>FR-5662-F-01</u>	Final Rule regarding Civil Money Penalties and Civil Penalty Regulations
12/19/2012	<u>FR-5635-N-02</u>	Federally Mandated Exclusions from Income: Republication of Corrected Listing

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Change to Disbursement of Social Security Benefits

Beginning March 1, 2013, the Social Security Administration eliminated paper checks for recipients of Social Security and Supplemental Security Income (SSI). Recipients have two options to receive their benefits:

- ⇒ Direct Deposit: Residents may choose to receive their payments electronically via a bank or credit union account. Recipients can sign up for direct deposit at their banking institution or by contacting Social Security.
- ⇒ Direct Express® card: Benefits will be loaded onto a debit card. No banking information is required. Monthly benefits are made available on the payment date. The card can be used to make purchases, pay bills or get cash at thousands of locations. Transactions are free and funds cannot be added to the card directly by the card holder. <http://www.usdirectexpress.com/edcfdtclient/index.html#>
- ⇒ Benefit recipients can go to www.ssa.gov or call 1-800-772-1213 for more information.

Social Security
**Direct
Deposit**

No more waiting in line.

Your Social Security money is there when you need it.

It's safe, quick and convenient.

Sign up at your bank, credit union or savings and loan.

Or call Social Security at 1-800-772-1213.

How Does this Effect Income Calculations?

Benefits received through direct deposit of the Direct Express card will still be treated as income. However, the Direct Express debit card balance is also considered an asset and must be verified using the current verification methods outlined in HUD Handbook 4350.3.

Residents using a Direct Express debit card must provide an account balance no more than 120 days old at recertification. The balance can be obtained from an ATM, online account service website, or a paper statement. The verification document must identify the account and account holder. If the total household assets do not exceed \$5,000, then the payment does not add income, however, if the household assets exceed \$5,000, then assets will be projected to earn or impute at the rate of 2%.

For more information, visit the SSA website at: <http://www.ssa.gov/pubs/10073.html>

Transitioning to Smoke Free Housing



The following article is an excerpt from a brochure that is included in the Smoke-Free Housing Toolkits which have been posted to the Office of Healthy Homes and Lead Hazard Control's (OHHLHC) Website.

These toolkits were developed by the Department of Housing and Urban Development and its partners, the Centers for Disease Control and Prevention, the American Lung Association, and the American Academy of Pediatrics and can be found here: <http://portal.hud.gov/hudportal/HUD?src=/smokefreetoolkits1>

Going Smoke-Free: Steps for Owners/ Management Agents Making the Transition to Smoke-Free Housing

Step One: Survey Residents

Conduct a survey, which will serve two purposes:

- ◆ Gathering information
- ◆ Alerting residents of possible changes

Step Two: Set a Timeframe for Change

Well ahead of your target date, notify residents that you want to make the building(s) smokefree by a certain date. Let them know that there will be meetings to discuss the benefits of smoke-free housing.

Step Three: Inform Residents of Benefits Include New Policies in Lease or House Rules

Include language in your House Rules to make residents aware of any new policies or changes to existing leases. If you allow smoking on a specific part of the property, specify in the lease or House Rules where smoking is allowed and advise leaseholders that they must inform their guests of non-smoking policies.

Step Four: Accommodate Smokers

Although you are under no obligation to provide outdoor smoking areas, if your policy allows outdoor smoking, it is advisable to assign smoking areas for residents and visitors, especially if your policy is new. Because many smokers would like to quit but are addicted to nicotine, provide them with cessation resources to assist them. Organizations to assist smokers are included in the toolkit.

Step Five: Enforce the Policy

In worksites and other public areas, smoking policies have been largely self-enforcing. Let residents know the merits of smoke-free housing. Reasons typically include a combination of health, safety and business concerns, such as:

- ◆ Protecting residents from secondhand smoke
- ◆ Reducing the danger of fires
- ◆ Reducing maintenance and cleaning costs

Sample smoke-free House Rules/Lease Addendum is included in the Smoke-Free Housing Toolkit.

Transitioning to Smoke Free Housing Cont.

Step Six: Promote Smoke-Free Policies

In addition to working with residents to implement smoke-free policies and changes to leases, keep all residents informed with regular updates using announcements and postings in common areas; letters that are addressed and mailed to each lease holder; flyers and notices on bulletin boards, in newsletters and posted in all common areas.

Signs and notices should also be posted in appropriate exterior locations and on the grounds to advise residents where smoking is permitted. To ensure that smoke-free policies are enforced, it is important to let violators know that there will be consequences, including possible eviction, should no-smoking policies be ignored.

Enjoy the Benefits

Smoke-free policies may offer benefits:

- ◆ Fewer complaints from nonsmokers
- ◆ Reduced risks of fires
- ◆ Protection from secondhand smoke
- ◆ Decreased maintenance and clean-up costs
- ◆ Greater appeal to prospective renters

Common Myths

- ◆ **Myth 1: If I implement a smoke free policy, I will lose money.**
- ◆ Not only have there been documented maintenance savings resulting from reduced wear and tear on units, there are considerable savings on cleaning and repainting costs.
- ◆ **Myth 2: A smoke-free policy will alienate residents.**
- ◆ Surveys conducted across the country document a preference by a majority of renters to live in smoke-free housing.
- ◆ **Myth 3: Enforcing a smoke-free policy will be too difficult.**
- ◆ Enforcing a smoking policy is a lot less of a headache than mediating disputes between smokers and non-smokers without a policy in place. Landlords must be prepared to follow through with all legal consequences.

What's in it for Me?

Safety and Health: More people die in fires started by smoking materials than in any other type of fire. Second-hand smoke is extremely hazardous especially to children and the elderly.

Legal:

- ◆ There is no legal right to smoke in federally subsidized housing.
- ◆ Fair housing laws may be applicable when second-hand smoke infiltrates non-smoking housing units.

Savings (\$):

- ◆ Fewer instances of burned counter tops, floors and carpets.
- ◆ Reduced labor and materials needed to turn over a unit after smoking occupants move out.
- ◆ Reduced risk of property destruction by fire, smoke and water damage.

HUD Updates Funding Status During Sequestration

On March 14, 2013, Deputy Assistant Secretary, Marie D. Head, issued a memo to all HUD industry partners and Section 8 owners detailing a funding plan during the program cuts imposed during the FY13 Sequestration.

Under HUD's plan, all Section 8 contracts expiring in FY 2013 will be renewed if eligible under the current program rules and will receive a full twelve month funding.

All existing multi-year contracts that expire after FY13 and have an anniversary date in the first quarter of FY13 (Oct.-Dec.) will receive full twelve month funding, assuring sufficient funding to carry them into the first quarter of FY14.

All other multi-year Section 8 contracts will receive less than twelve month funding, but will be provided sufficient funding to carry them into the first quarter of FY14.

According to HUD, there are about 11,000 Section 8 contracts that fall in the last category, and on average, they will receive roughly 8.5 months of funding. The actual amount will vary depending on the anniversary date of their respective contract. For example, a multi-year contract funded in March 2013 might receive ten months of funding (Mar.-Dec.), while a contract funded in September 2013 might receive four months (Sept.-Dec.)

Overall, HUD's goal is to avoid payment disruptions during FY 2013 or early FY 2014. Funding after that point will depend on Congressional appropriation action for FY 2014.

You can download a copy of Deputy Assistant Secretary, Marie D. Head's memo [here](#).

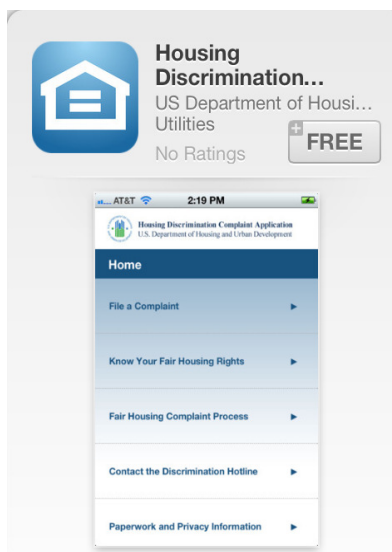
FASS and APPS News

[Revised IG2000.04 Handbook](#) The Office of Inspector General revised the Consolidated Audit Guide IG2000.04, for owners with fiscal years ending 3/31/13 and thereafter and it is optional for owners with fiscal years ended 12/31/12. The FASSUB system has not yet been modified to comply with the new guide but we have created a workaround document that will allow auditors to prepare the audit under the new guidelines, but submit it using the existing FASSUB template. The REAC FASS-MF team are hoping to have a revised submissions template available later this year. [Workaround document](#).

[Accounting Requirement for Housing Notice H-2012-14- Housing Notice H-2012-14](#) required certain owners to offset future Housing Assistance Payments with residual receipts. [FAQ document](#) suggests owners financial reporting methodology. The issue of creating multiple submissions with the same TIN was resolved through a February 15th APPS release.

Contact Devasia Karimpanal at 202-402-7682, if questions.

HUD Launches First Fair Housing App



The U.S. Department of Housing and Urban Development (HUD) unveiled the first housing discrimination mobile application (app) for iPhone and iPad. Developed by HUD's Office of Fair Housing and Equal Opportunity (FHEO) and HP, the app uses the latest technology to provide the public with a quick and easy way to learn about their housing rights and to file housing discrimination complaints, and inform the housing industry about its responsibilities under the [Fair Housing Act](#).

The app will also be an important tool to assist fair housing groups and other civil rights advocacy organizations in their efforts to help individuals pursue their housing rights and industry to educate their members on their responsibilities. Several groups indicated their intent to promote the app with their members and in communities where they work, including MomsRising, Illinois Department of Human Rights, Access Living, League of United Latin American Citizens, Asian Real Estate Association of America, National Association of Hispanic Real Estate Professionals, National Association of Real Estate Brokers,

and the National Center for Lesbian Rights.

"Having this first fair housing mobile application equips people everywhere with the information they need to combat housing discrimination," said John Trasviña, HUD Assistant Secretary for Fair Housing and Equal Opportunity. "We are maximizing the latest technology to make the process for filing fair housing complaints faster and easier and arming our fair housing partners with the information they need to understand their fair housing rights and responsibilities."

HUD's new fair housing app was unveiled during the 3rd Annual MobileGov Summit in Washington, DC, a conference which brings government and industry IT leaders together to discuss the latest trends and best practices for creating the next generation mobile government workforce.

"HUD needed an efficient and reliable solution to quickly extend existing capabilities to mobile computing devices," said Marilyn Crouther, senior vice president and general manager, U.S. Public Sector, HP Enterprise Services. "The new HP application achieves operational goals of HUD - from concept to deployment - while more effectively addressing discrimination complaints. The mobile app simplifies and increases access to government services for people."

In addition to facilitating real-time delivery of housing discrimination complaints to HUD, the app can be used by individuals researching their housing rights after a natural disaster, when power outages make the iPhone/iPad one of the few ways to access the Internet.

The app also provides information about the fair housing complaint process, and allows the public to access HUD's toll-free discrimination hotline and link to [HUD's fair housing website](#).

HUD Issues Rule Formalizing Standard on Discriminatory Effects in Housing



The U.S. Department of Housing and Urban Development (HUD) announced a final rule to formalize the national standard for determining whether a housing practice violates the Fair Housing Act as the result of discriminatory effect. HUD posted the Final Rule on the Implementation of the Fair Housing Act's Discriminatory Effects Standard Feb. 8, 2013 with it becoming effective 30 days after its publication in the Federal Register.

"Through the issuance of this Rule, HUD is reaffirming its commitment to enforcing the Fair Housing Act in a consistent and uniform manner," said HUD Secretary Shaun Donovan. "This will ensure the continued strength of one of the most important tools for exposing and ending housing discrimination."

HUD is statutorily charged with the authority and responsibility for interpreting and enforcing the Fair Housing Act and has long interpreted the Act to prohibit housing practices with an unjustified discriminatory effect, if those acts actually or predictably have a negative impact on a group of persons, or create or increase segregated housing patterns because of race, color, religion, sex, handicap, familial status, or national origin.

The notice, which includes terms such as "disparate impact," explains how HUD will make determinations in making cause findings of discrimination in violation of the Fair Housing Act. One of the interesting aspects of the notice is its statement that housing providers may engage in practices that are "facially neutral," and still be found to have engaged in discrimination. In other words, a housing provider can have a policy, practice or procedure that is not designed to discriminate, applies to everyone and has no intent of discrimination, and still be charged with violation of the Fair Housing Act.

"HUD is maintaining well-established legal precedent and formalizing a nationally consistent, uniform burden-shifting test for determining whether a given housing practice has an unjustified discriminatory effect," said John Trasviña, HUD's Assistant Secretary for Fair Housing and Equal Opportunity.

The rule provides clarity and consistency for individuals, businesses, and government entities subject to the Fair Housing Act. HUD anticipates the rule also will make it easier for individuals and organizations covered by the law to understand their responsibilities and comply with the law.

The review process for the rule was expansive. Since January 2012, the Department solicited, received, and incorporated input based on comments from individuals, fair housing and legal aid organizations, Attorneys General, state housing finance agencies, public housing agencies, public housing trade associations, insurance companies, financial institutions, and numerous other entities.

"The openness of this process allowed us to implement a rule that can be consistently and fairly applied," noted Trasvina.

To review or download a copy of the Final Rule click [here](#).

HUD Launches Rental Assistance Demonstration

To stem the loss of critically needed public and other forms of subsidized housing as a result of the severe backlog of capital needs, in January 2013 the U.S. Department of Housing and Urban Development (HUD) officially launched its [Rental Assistance Demonstration \(RAD\)](#), the Obama Administration's strategy to preserve tens of thousands of public and HUD-assisted housing units.

In the near term, RAD is expected to preserve and enhance more than 13,000 units of affordable housing and generate more than \$650 million in private capital to address the estimated \$26 billion backlog in capital needs faced by public housing authorities in the U.S. This additional capital will also stimulate employment in the construction trades across the country.

"This innovative and cost-effective approach greatly enhances our ability to confront the decline of our public housing and older assisted housing stock," said HUD Secretary Shaun Donovan. "With the initial implementation of RAD, the Obama Administration has begun to demonstrate that public-private partnership can help preserve our nation's affordable housing and create jobs in the process."

[HUD awarded 112 initial commitments to 68 public housing authorities \(PHAs\)](#), allowing these local housing agencies to seek private financing to rehabilitate units that are otherwise at risk of being lost from the affordable housing inventory. In addition, HUD approved 11 requests from private owners of assisted housing projects to convert and extend rental assistance contracts for 1,100 units. Combined, the commitments are projected to preserve more than 13,000 public and other HUD-assisted housing units for the next 20 years.

RAD allows public housing agencies and private owners of certain at-risk, federally assisted properties to convert their current assistance to long-term Section 8 contracts. Such contracts will allow owners to leverage millions of dollars in debt and equity to better address immediate capital needs and preserve these affordable housing units. In addition, participating agencies are freed from antiquated public housing rules and restrictions that hindered their ability to best preserve and manage their housing similar to other affordable housing owners and managers.

In 2011, HUD released [Capital Needs in the Public Housing Program](#), a study that found the nation's 1.2 million public housing units need \$26 billion to keep these homes in safe and decent condition for families, a figure well in excess of the roughly \$2 billion Congress appropriates for capital repairs annually. Beyond the potential loss of this public housing stock, the Moderate Rehabilitation, Rent Supplement, and older Rental Assistance Payment (RAP) programs are also at risk of being lost from the affordable housing stock.

RAD is part of the Obama Administration's comprehensive strategy to preserve public and HUD-assisted housing. In November 2011, Congress authorized HUD to implement RAD as a budget-neutral demonstration program with two components, allowing for the conversion of assistance for both public housing and HUD-assisted properties that have expiring subsidies.



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