

## U. S. Department of Housing & Urban Development

# San Francisco Office of Public Housing

Serving northern California and Nevada

March 2007

Service, Respect, Integrity

Quarterly Newsletter

Serving northern California and Nevada

### From the Director's Desk

**Stephen Schneller**  
Director  
San Office of Public Housing



The 2nd Interim Operating Fund allocation has been made available to PHAs in eLOCCS. This allocation obligates operating funds through September 2007 at a proration factor of 82.0%. Obligation letters have not yet been posted to the site.

Please click on the below link to access more detailed information.

<http://www.hud.gov/utilities/intercept.cfm?/offices/pih/programs/ph/am/of/prorationexplanation07-2.pdf>

I appreciate your quick response to our recent request for a decision on the additional Capital Funding from the 2006 Appropriations. The information has been forwarded to Headquarters.

Shirley Thomas, Facilities Management Specialist, coordinated this effort. If you have any questions, call Shirley at (415) 489-6438 or contact her by E-mail: [Shirley.A.Thomas@hud.gov](mailto:Shirley.A.Thomas@hud.gov).

This April is the 39th annual celebration of the passing of the Fair Housing Act. We invite you to view the Fair Housing & Equal Opportunity Program's website

<http://www.hud.gov/offices/fheo/> for information on events marking this legislation.

HUD has published guidance in the Federal Register to assist housing providers in ensuring that people with limited English proficiency (LEP) have an understanding of housing documents.

The guidance was published in response to President Bush's commitment to Executive Order (EO) 13166, "Improving Access to Services for Persons with LEP," which requires all federal, local and state agencies that receive federal funding ensure that people with limited language skills have meaningful access to government programs and services.

Kim Kendrick, HUD's Assistant Secretary for Fair Housing and Equal Opportunity explained - "The goal of the LEP guidance is to eliminate the disparities in access to housing between those with a limited comprehension of English and fluent English-speakers." explained. "When signing a lease for an apartment or a contract for a new home, people-- regardless of their nationality-- should have access to forms, brochures and other important housing information they can understand."

For a copy of the guidance, click on **Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons**  
AGENCY: Office of the Assistant

(<http://a257.g.akamaitech.net/7/257/2422/01jan20071800/e.docket.access.gpo.gov/2007/pdf/07-217.pdf>)

*"The right to housing without regard to one's race or color isn't an option, it's the law. We're working hard to educate housing providers and the public about their fair housing rights and responsibilities, but when a landlord illegally prevents someone from obtaining the housing of their choice, we will take swift enforcement action."* ~ Kim Kendrick



And finally, we received some questions regarding whether housing authorities may scan documents into an electronic filing system in lieu of warehousing paper documents. After consultation with the program office at Headquarters and the Office of General Counsel, we may inform you that HUD has concluded that electronic filing systems are permitted under current regulations.

Our main concerns are with **auditability**, and as we visit you and face your unfamiliar technology, we ask for patience and assistance in learning your systems. One concern raised by the Office of Inspector General is their use of original signatures in prosecuting criminal cases. Only tested cases will provide an answer to that. As for program requirements, the following analysis is offered:

We are not aware that HUD has issued any regulations or Notices that specifically relate to the electronic storage of PHA documents.

A PHA's record keeping obligations can be found in its Annual Contributions Contract (ACC) and in HUD Regulations.

The ACC for the Rental Certificate and Rental Vouchers Program contains record keeping requirements (Section 14 of the Form HUD-52520). The relevant section reads: "The [Housing Authority] must maintain complete and accurate books of account and records for a program. The books and records must be in accordance with HUD requirements, and must permit a speedy and effective audit." The ACC for the administration of public housing contains identical language (Section 15 of Form HUD-53012A). Neither version of the ACC defines "records" or provides specific guidance.

HUD regulations provide limited guidance to PHAs with regards to electronic record keeping. Specifically, HUD regulations require that PHAs operating public housing or section 8 to electronically submit certain family data to HUD for those programs. See 24 C.F.R. § 908.101. In addition (and in keeping with the requirement for electronic transmission to HUD), with respect to the Housing Choice Voucher program (HCV), the record keeping requirement states, among other things,

that "[t] he records must be in the form required by HUD, including requirements governing computerized or electronic forms of record keeping." 24 C.F.R. 982.158(a). Other than the regulations mentioned above, there does not appear to be a specific requirement under the HCV program that records be maintained in a particular form (paper versus electronic).

More broadly, 24 C.F.R. 85.42 also discusses record keeping requirements, such as what records are applicable, the starting date of the records retention and length of the retention period. This record keeping regulation applies to all

- Financial and programmatic records,
- Supporting documents,
- Statistical records, and
- Other records of grantees or sub grantees

which are:

(i) Required to be maintained by the terms of this part, program regulations or the grant agreement, or

(ii) Otherwise reasonably considered as pertaining to the program regulation or the grant agreement. 24 C.F.R. 85.42(a)(1).

Further, the regulations provide that "[c]opies made by microfilming, photocopying or similar methods may be substituted for the original records." 24 C.F.R. 85.42(d).

In conclusion, based upon our review of the ACCs and HUD regulations we are of the opinion that neither the ACC nor HUD regulations preclude housing authorities from maintaining their records in electronic form.

Electronic documentation is the wave of the future, and for several housing authorities, that wave is already here. Once again, the West is taking the lead in adapting to new technologies and new paradigms of doing business. If you have any additional questions or concerns please do not hesitate to contact us.

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**Important Dates for . . .**

| HUD Business Cycle |  |
|--------------------|--|
| Due Date           | Task   |
| 30-Apr             | Lead Based Paint (HUD-52850) due to Field Office             |
| 30-Apr             | (HUD-52681B) Jan, Feb & Mar data due in VMS (S8)             |
| 30-Apr             | CFP obligated/expended data submitted through eLOCCS         |
| *5/3               | <b>(EARLY MAY)</b> PHA certifies Implementation Plan in RASS |
| 30-May             | SEMAP Submission due in PIC <b>(60 days after FYE)</b>       |
| 31-May             | MASS Submission due to REAC                                  |
| 31-May             | Unaudited FASS submission due to REAC                        |
| 31-May             | CFP obligated/expended data submitted through eLOCCS         |
| *6/7               | <b>(EARLY JUNE)</b> PHA certifies Follow-up Plan in RASS     |
| 30-Jun             | CFP obligated/expended data submitted through eLOCCS         |

**IPA Audit Due Dates**

All 6/30/ HAs - Audited FDS due into REAC by March 31, 2007.  
 Copy of audit due into local HUD office by March 31, 2007

All 9/30 HAs - Audited FDS due into REAC by June 30, 2007.  
 Copy of audit due into local HUD office by June 30, 2007

All 3/31 HAs - Unaudited FDS due into REAC by May 31, 2007

**Budget Due Date**

Operating Subsidy 2007 budget revisions are due into our office no later than July 16, 2007 per Notice PIH 2006-30.

**Enterprise Income Verification (EIV) System**

**The deadline to recertify PHAs EIV users is 4-30-07!**

Access for PHA users is at:  
[https://hudapps.hud.gov/HUD\\_Systems](https://hudapps.hud.gov/HUD_Systems)

For PIH program users, the PHA's EIV User Administrator must request the assignment of a role and the Field Office User Administrator must authorize that role within EIV's User Administration module.

The EIV System is available to all PHAs nationwide. HUD *strongly* encourages PHAs to use and implement the EIV system in their day-to-day operations. For assistance, PHAs should contact the UIV Coordinator at the San Francisco office,

**Gerard Windt, (415) 489-6444**  
[Gerard.Windt@hud.gov](mailto:Gerard.Windt@hud.gov)

**Part 58 Environmental Training**

This training is designed to help Responsible Entities under 24 CFR Part 58 fulfill Federal environmental review, decision-making and action responsibilities associated with CPD and Public Housing Grants.

*A final environmental training session* for this year will be offered on May 22- 24, 2007 in Sacramento. The announcement and registration will be published next week.

## Asset Management



### Deadline for one-year submission of stop-loss applications is April 15, 2007.

## Administrative Reform

(Summary from **Asset Management E-Newsletter**, Issue 92, March 2007. For full article and summary chart of proposed changes: <http://www.hud.gov/utilities/intercept.cfm?offices/pih/programs/ph/am/newsletter/mar07.pdf>)

The final rule on the Operating Fund Program (24 CFR Part 990) directs the conversion to management. Section 990.55(b) of the final rule recognizes that changes in HUD's regulatory and monitoring programs are needed to support public housing agencies (PHAs) as they undertake the conversion to asset management. **Please** note that HUD cannot modify a requirement that is statutory and HUD must use the rulemaking process to change a requirement or process that is codified in regulation.

PHAs with 250 or more public housing units are required to convert to asset management.

Types of Administrative Requirements: Procedural and Reporting  
(See Exhibit 1 of article for a brief description of the proposed changes, timeframes and action.)

HUD's goal is to establish, within statutory parameters, an administrative framework for public housing that is substantially equivalent to that which exists in HUD's Federally subsidized portfolio.

Procedural Requirements govern a PHA's policies or procedures, e.g., rules regarding tenant eligibility or rent. The areas where regulatory reform is most likely over the next year because the source of the regulation is non-statutory or the policy does not align with norms in HUD's subsidized housing programs are:

- PHA Annual and Five Year Plans;
- Tenant Participation;
- PHA Grievance Procedures;
- PHA Inspections;
- Public Housing Assessment System (PHAS)
- Capital Fund Administration; and

- General provisions governing PHA-owned or ledged projects.

Reporting Reforms are planned for the following data collection systems.

- PHA Annual and Five-Year Plans. HUD expects to issue a revised Annual Plan and Five-Year Plan *template* in March 2007 that will streamline the submission and review process. Information previously submitted in the plan can now be *referenced*. The template will allow PHAs to indicate where information is publicly available rather than submit the information. The Capital Fund Program funding cycle does not coincide with PHA fiscal years, PHAs today must submit amended Capital Fund budgets after final awards are determined, By separating the submission requirements, PHAs would have the option to submit Capital Fund budgets after notification of their funding amount rather than with their Annual and Five-Year Plan submissions.
- Subsidy and Grant Information (SAGIS). HUD is implementing a new single system of e-grants, called SAGIS, that allows PHAs to request and obligate funds electronically for all programs, including Operating Subsidy, Capital grant, Section 8 housing assistance payments, and other PIH grants. This system will be phased –in over the next two years. The first application to be implemented will be the *calculation and disbursement of operating subsidies*, planned for later this year.
- Matching of Capital Fund Budget Line Items (BLIs) with the Financial Data Schedule (FDS). Currently, PHAs report obligation and expenditure information regarding their Capital Fund grants in LOCCS using BLIs that do not match the FDS chart of accounts in the Financial Assessment Subsystem (FASS) of PIH-REAC. By late 2007, HUD anticipates that the BLI structure will be conformed to the FDS chart of accounts.

Conforming all line items will eliminate the PHA need to maintain two accounting structures.

- Public and Indian Housing Information Center (PIC) was developed to obtain data on buildings, units, residents, and other key PHA information. This past year, PHAs have identified their management clusters by asset management projects or AMPS. In 2007, HUD will issue instruction on how PHAs can make modification to their AMPs, when appropriate. HUD will align all of the reporting systems according to AMPS, a process to be known as “reformulation.” When completed, PHAs will no longer need to report data on “old” development numbers.
- HUD Form 50058, Family Report. In 2007, HUD will undertake a complete review of this form. The review process will include all affected parties. However, because modifications of the 50058 require changes in PHA IT systems, any resulting change to the 50058 will occur in 2008.
- Public Housing Assessment System (PHAS) HUD will: (a) conduct and track PIH-REAC physical inspections by AMPS (b) modify the electronic submission of the FDS to support the collection of project-level data; (c) replace a PHA’s current Management Assessment Subsystem (MASS) submission with an on-site review; and (d) establish a new “integrated” assessment based on the newly developed PHAS indicators. This should simplify the current scoring methodologies. By utilizing data already contained in HUD systems or collected through on-site management reviews, **HUD will significantly reduce PHA submission requirements.**
- Management Reviews. PIH will refocus its system of public housing management reviews. For its Federally subsidized housing programs, HUD (or a third party agent) conducts a comprehensive management review of each project, generally annually. As HUD revises PHAS to conform to standards in multifamily

housing, an evaluation of a PHA’s management asset will be conducted during a scheduled on-site management review. These on-site management reviews will replace many of the subject-specific reviews. It is anticipated that moving to a system of on-site reviews will eliminate the need for PHAS “confirmatory” reviews, i.e., the reviews will replace PHA submissions.

With the conversion to asset management, it is important to note that *any “fee income” that PHAs earn for the operation of their programs (management fees, bookkeeping fees, and other fee-for-service) is not considered “program income.”* Consequently, fee income will not be subject to federal review, greatly contributing to the desired streamlining of PHA compliance reviews.

**TRAINING.**

- ✓ **A change in Financial Management and Reporting Under the New Operating Fund Rule** – The live training schedule is being revised to coincide with the re-issuance of guidance to PIH Notice 2006-33.
- ✓ **PHA Asset Management Training** – HUD is developing a 2 – 3 hour training module for PHA boards to introduce them to the topic of asset management. Topic s covered are Project-Based Budgeting, and the PHA as a Management Company. This training will be available this spring.

Please bookmark the Operating Fund Program website: <http://www.hud.gov/offices/pih/programs/ph/am/of/index.cfm>  
 Asset Management e-newsletter for updates: <http://www.hud.gov/offices/pih/programs/ph/am/newsletter.cfm>

**EFFECTIVE MARCH 26, 2007**

New address and phone numbers will be:  
 HUD Sacramento Field Office  
 650 Capitol Mall, Suite 4-200  
 Sacramento, California 95814  
 Main Number (916) 498-5220  
**Public Housing Staff:**  
 Brenda Adams, (916) 498-0831  
 Sharron Treskunoff, (916) 498-0832  
 Fax Number: (916) 498-5262



## Grants

### HUD announces \$2.8 Billion Available through 38 grant programs!



On March 13, 2007, HUD Published its FY 2007 "SuperNOFA. Secretary Jackson is encouraging all prospective applicants to read the general and program-specific sections of their funding notices thoroughly and to follow the registration information available in HUD's step-by step registration guide.

All Public Housing grants must be submitted electronically. No exceptions. HUD is continuing to provide help so that every applicant can successfully meet this year's electronic submission requirements. [HUD's Desktop User's Guide](#) provides easy-to-follow instructions to guide applicants through the electronic submission process.

### ➤ Links on *How to apply for grants.*

March 8, 2007 [Grants Policy Committee's Stakeholder Meeting](#)

- ▶ [Grants.gov Webcast](#)
- ▶ [CCR Policy Change](#)
- ▶ [Mandatory Electronic Submission for Grants](#) (24 CFR Part 5)
- ▶ [Uniform Guidelines Coalition](#)
- ▶ [HUD's eGrants Grantee Update](#)
- ▶ [HUD's Grants.gov Registration Brochure](#) - 02/2007
- ▶ [Find/Apply Brochure](#) - 02/2007
- ▶ [Desktop User Guide for Submitting Grant Applications](#) - 02/2007
- ▶ [States Code of Conduct](#)

### Training & Schedule

Click on **Grants Training**

(<http://www.hud.gov/offices/adm/grans/training/odqmotraining.cfm>)

### Webcasts Training

#### Energy Webcasts Coming Soon

On Thursday, April 12<sup>th</sup>, HUD Energy Task Force will host the first of four webcasts to promote energy efficiency in public and assisted housing along with other tools and techniques that support HUD's Energy Strategy. HUD will offer official Certificates of Completion to all personnel who watch the entire 4-part series in 2007.

| PH Program Grants   | Funding, Approx | Application Deadline |
|---|-----------------|----------------------|
| Housing Choice Voucher Family Self-Sufficiency (FSS) program Coordinators | \$47,000,000    | May 18, 2007         |
| ROSS Elderly Persons/ Disabilities  | \$20,000,000    | July 17, 2007        |
| ROSS Family Homeownership   | \$30,000,000    | June 27, 2007        |
| PIH Family Self-Sufficiency   | \$12,000,000    | June 6, 2007         |

### Maintenance Corner

#### Carbon Monoxide (CO)

#### *What is CO Poisoning, and how can I ensure that my residents aren't at risk of CO poisoning?*

CO is a product of the incomplete combustion of compounds that contain carbon. It comes from gas stoves, space heaters, hot water heaters and dryers. CO is present all around us yet it is also highly toxic in large amounts. Colorless and odorless, it can cause permanent neurological dysfunction and even death. For this reason, it is imperative that everyone be aware of how to prevent CO poisoning, especially among those most susceptible to it, such as infants and the elderly.

- Before and during each heating season, thoroughly check all fuel-burning appliances such as oil and gas furnaces, gaswater heaters, gas ranges and ovens, gas dryers, gas or kerosene space heaters, fire places and wood stoves.
- Housing Agencies may want to consider installing carbon monoxide detectors. Some municipalities and states require them. Reasonably priced detectors can be found at many stores. Find out more about the importance of carbon monoxide detectors by following the "Carbon Monoxide" link above.

## Homeownership



### Did you know?

On June 23, 2006, Fannie Mae issued a letter to the lending community in which Fannie Mae informed them that it had discontinued allowing the Section 8 vouchers to apply towards monthly income in qualifying borrowers under **MyCommunityMortgage** products. The letter offered no explanation for the change. A possible explanation might be to allow for a more streamline lending process. Previously lenders had to manually process instances where HAP was applied towards monthly income.

We are concerned that high cost real estate markets, as in California, might have been negatively impacted by this action. We want to hear from you if you believe that your homeownership program was affected. Please tell us how and if you were able to overcome this issue. We will share your stories and wisdom in our next newsletter.

Please send your responses to  
[Carroll J. Lorbett@hud.gov](mailto:Carroll.J.Lorbett@hud.gov)

### Section 8 Homeownership Study

In recent weeks, the news is full of reports about the increase in Subprime Delinquencies.

Since helping HUD-assisted renters become homeowners through the Voucher Homeownership Program is an important part of HUD's strategy to increase homeownership, we took a close look at a HUD study that was completed in December 2005 to see if delinquencies were a problem. It was a national study that looked at the Voucher Homeownership program (VHO) in combination with the Family Self-Sufficiency program .

The results of the study show the following:

- **Foreclosures and delinquency/default rates are extremely low.**
- Purchasers are primarily female-headed (61%) households with children (74%),

minorities (58%), and person with disabilities (32%)

- Average monthly Principal, Interest, Taxes and Insurance (PITI) burden of 18% compared to 28 to 33% for conventional and FHA loans.
- Purchasers moved an average of 3.3 miles to neighborhoods with more homeowners, more single-family homes, and slightly lower poverty rates than the neighborhoods in which they were renting.

Also noted in the study was that the strongest predictor of the home-purchase rate was the share of all the PHA's voucher holders that complete homeownership counseling. The result is consistent with the idea that greater effort by PHAs to extend homeownership services to voucher holders increases the home purchase rate.

Another factor that was found to have a fairly strong association with the home purchase rate realized by a PHA was whether the PHA imposed any additional restrictions on program participants beyond those required by HUD in terms of income and employment, or had other requirements related to credit, savings or debt levels. Programs that had more stringent requirements were found to have lower home purchase rates in the sampled studied.

The study found that defaults and delinquencies have been rare; perhaps in part because of the prevalence of the "HAP as income" model is used most frequently in their VHO programs. This model yields less purchasing power, but also results in lower payment burden for the homebuyer. The study states that it is too early too to assess loan performance over time; this conservative approach to using the HAP may help buyers avoid payment problems.

The study concluded with a purchaser's assessment of the program:

*It was not that easy. It was not a breeze at all. I have a disability to deal with and I had to try and attend to everything else. But I did not give up . . . This [homeownership] is a blessing, more than anything I could have been given, It is beyond measure for me personally . . . It makes living a little bit easier.*

## Homeownership Legislation

**FYI:** March 29, 2007

(Editor: I am including the following so that you are aware of the effort by HUD to encourage homeownership.)

"The Expanding American Homeownership Act" was introduced in the U. S. House of Representatives yesterday. The Act modernizes the Federal Housing Administration (FHA). Secretary Alphonso Jackson urged prompt House consideration of this priority legislation. It is identical to legislation passed by a 415 - 7 vote in the House of Representatives last year (H.R. 5121).

### The Expanding American Homeownership Act would:

- Eliminate the current statutory three percent minimum down payment, reducing a significant barrier to homeownership.** FHA's existing down payment requirement does not meet the demands of today's marketplace, where most first-time homebuyers put down two percent or less. The "new" FHA would offer a variety of down payment options.
- Create a new, risk-based insurance premium structure for FHA that would match the premium amount with the credit profile of the borrower.** It would replace the current structure, in which there is standard premium amount for all borrowers, while still protecting the soundness of its Insurance Fund. FHA would have the flexibility to charge a lower premium for low-risk borrowers, and to charge higher-risk borrowers a slightly higher premium.
- Increase and simplify FHA's loan limits.** FHA's loan limit in high-cost areas would rise from 87 to 100 percent of the Government Sponsored Enterprise conforming loan limit and in lower-cost areas from 48 to 65 percent of the conforming loan limit. This change is crucial in today's housing market. In many areas of the country, the existing FHA limits are lower than the cost of new construction, eliminating FHA financing as an option for buyers of new homes in those markets. FHA has simply been priced out of the

market in other areas, such as California, where FHA insured only about 5,000 home mortgages in all of 2005, down 95 percent from 109,000 in 2000.

### Homeownership Program Progress

| <br>HA Name | Hcvhp Closings      |                     | FSS Homeownership Closings |                     | Cumulative Closings |                     | Increase  |
|---|---------------------|---------------------|----------------------------|---------------------|---------------------|---------------------|-----------|
|   | 1 <sup>st</sup> Qtr | 2 <sup>nd</sup> Qtr | 1 <sup>st</sup> Qtr        | 2 <sup>nd</sup> Qtr | 1 <sup>st</sup> Qtr | 2 <sup>nd</sup> Qtr |           |
| Alameda City  | 0                   | 0                   | 1                          | 1                   | 1                   | 1                   | 0         |
| Alameda Co  | 0                   | 0                   | 7                          | 9                   | 7                   | 9                   | 2         |
| Benicia   | 12                  | 12                  | 0                          | 0                   | 12                  | 12                  | 0         |
| Berkeley  | 1                   | 1                   | 0                          | 0                   | 1                   | 1                   | 0         |
| Clark County  | 5                   | 5                   | 6                          | 6                   | 11                  | 11                  | 0         |
| Fairfield   | 3                   | 3                   | 6                          | 6                   | 9                   | 9                   | 0         |
| Fresno City   | 1                   | 1                   | 16                         | 18                  | 17                  | 19                  | 2         |
| Fresno Co   | 1                   | 1                   | 19                         | 22                  | 20                  | 23                  | 3         |
| Las Vegas   | 13                  | 13                  | 3                          | 4                   | 16                  | 17                  | 1         |
| Madera  | 3                   | 3                   | 4                          | 5                   | 7                   | 8                   | 1         |
| Marin   | 12                  | 12                  | 2                          | 3                   | 14                  | 15                  | 1         |
| Mariposa Co   | 1                   | 1                   | 0                          | 0                   | 1                   | 1                   | 0         |
| Monterey  | 1                   | 2                   | 5                          | 6                   | 6                   | 8                   | 2         |
| Napa  | 0                   | 0                   | 10                         | 10                  | 10                  | 10                  | 0         |
| No Las Vegas  | 4                   | 5                   | 0                          | 0                   | 4                   | 5                   | 1         |
| Oakland   | 7                   | 7                   | 0                          | 0                   | 7                   | 7                   | 0         |
| Redding   | 2                   | 3                   | 0                          | 0                   | 2                   | 3                   | 1         |
| Reno  | 8                   | 8                   | 3                          | 4                   | 11                  | 12                  | 1         |
| Roseville   | 0                   | 0                   | 1                          | 1                   | 1                   | 1                   | 0         |
| Sacramento City   | 21                  | 21                  | 9                          | 9                   | 30                  | 30                  | 0         |
| Sacramento Co   | 42                  | 47                  | 1                          | 1                   | 43                  | 48                  | 5         |
| San Francisco   | 0                   | 0                   | 3                          | 6                   | 3                   | 6                   | 3         |
| San Joaquin   | 14                  | 19                  | 0                          | 0                   | 14                  | 19                  | 5         |
| San Jose City   | 3                   | 3                   | 4                          | 4                   | 7                   | 7                   | 0         |
| San Mateo Co  | 0                   | 0                   | 2                          | 2                   | 2                   | 2                   | 0         |
| Santa Clara   | 7                   | 8                   | 9                          | 8                   | 16                  | 16                  | 0         |
| Santa Cruz Co   | 9                   | 10                  | 7                          | 7                   | 16                  | 17                  | 1         |
| Solano  | 9                   | 9                   | 1                          | 1                   | 10                  | 10                  | 0         |
| Sonoma  | 0                   | 0                   | 5                          | 4                   | 5                   | 4                   | -1*       |
| Stanislaus  | 0                   | 0                   | 5                          | 5                   | 5                   | 5                   | 0         |
| Vacaville   | 11                  | 14                  | 6                          | 5                   | 17                  | 19                  | 2         |
| Vallejo   | 7                   | 8                   | 3                          | 3                   | 10                  | 11                  | 1         |
| Yolo County   | 2                   | 4                   | 0                          | 0                   | 2                   | 4                   | 2         |
| Yuba County   | 0                   | 0                   | 2                          | 3                   | 2                   | 3                   | 1         |
| <b>Totals:</b>  | <b>199</b>          | <b>220</b>          | <b>140</b>                 | <b>153</b>          | <b>339</b>          | <b>373</b>          | <b>35</b> |

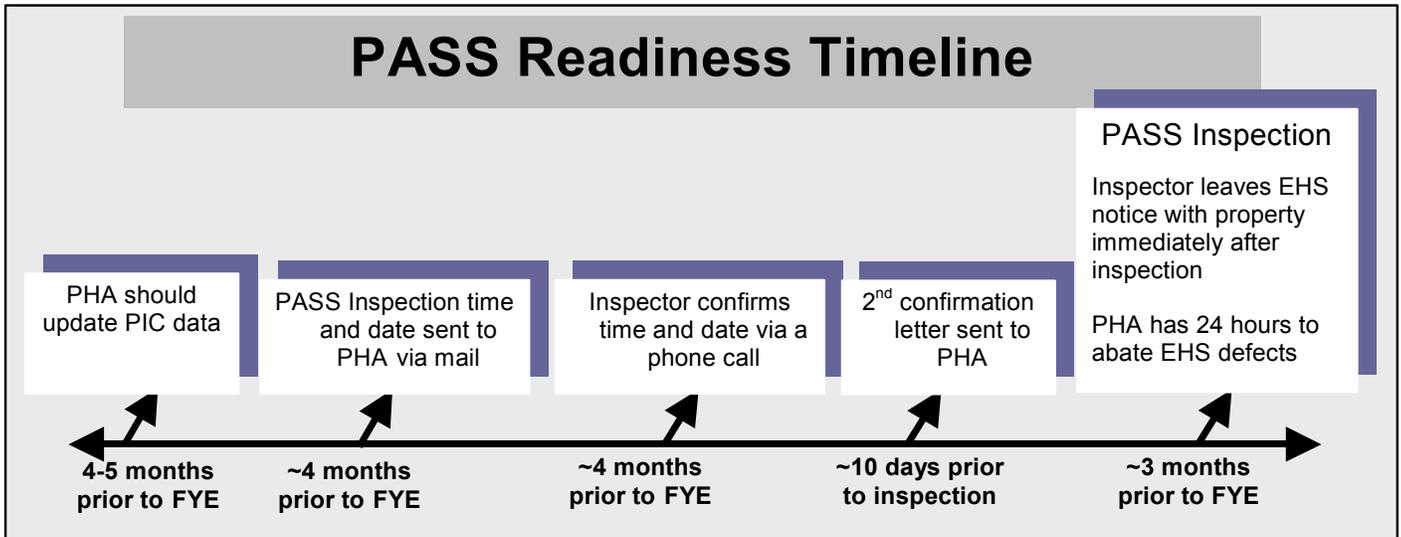
Source: PIC data calculated from 12/05 through 3/07 \* Data adjustment

**Please**  
Keep HomeOwnership Closing data current in PIC.



## PHYSICAL EDUCATION CLASS ARE YOU READY FOR REAC?

The Physical Assessment Subsystem (PASS) score is a major component of your Agency's overall Public Housing Assessment System (PHAS) performance. PASS inspections are conducted by the Real Estate Assessment Center (REAC). In this issue we highlight the PASS timeline and provide resources for improving PASS performance.



### How can I improve my PASS Score? Add these resources to your toolbox!

Visit the REAC Home Page at <http://www.hud.gov/offices/reac/index.cfm>

For UPCS inspection Training e-mail the Inspection Training Team at [REAC\\_PASS\\_Training@HUD.gov](mailto:REAC_PASS_Training@HUD.gov)

View a Powerpoint Presentation providing a PASS Physical Inspection Overview at <http://www.hud.gov/offices/reac/products/PDFs/PASS.ppt>

Learn more about the PASS Scoring Process by visiting [http://www.hud.gov/offices/reac/products/phas/PDFs/pass\\_scoring62800.pdf](http://www.hud.gov/offices/reac/products/phas/PDFs/pass_scoring62800.pdf)

For information of EHS Abatement Procedures and Requirements, visit <http://www.hud.gov/offices/reac/products/pass/ehs.cfm>

Visit the Public Housing Assessment System (PHAS) homepage at: <http://www.hud.gov/offices/reac/products/prodphas.cfm>

The REAC Technical Assistance Center (TAC) is available at 1-888-245-4860 (7 a.m. to 8:30 p.m. EST).

## P I C Page

### PIC Training

Joyce Prado

[Joyce J. Prado@hud.gov](mailto:Joyce.J.Prado@hud.gov)

PIC Coach

**A PHA must have a minimum 95 per cent Form 50058 reporting rate for both public housing and HCV at the time of its annual assessment to avoid sanctions.** Is your staff up to the challenge? Do they have the tools to do their job?

I am offering PIC training in our San Francisco office to your staff. The training is free of charge. Since I will train one PHA at a time, I can tailor the training to your staffs' needs. The training can be a 1 or 2 day training depending on your needs. Seating is limited to 10 per class.

Don't miss out on this opportunity. Training is available Monday through Thursday. If you are interested, please E-mail me with a few dates that would work for your staff along with the name and telephone of a contact person.

### Exception Units

A PHA **can't** enter any of its units into the **Exception** category. This has to be done by HUD Field Staff.

The **Exception** category includes 6 subcategories that can be used. They are:

- (1) Merged Unit.
- (2) Non-Dwelling Unit used for Anti-Drug Activities.
- (3) Non-Dwelling Unit used for Economic Self-Sufficiency Services.
- (4) Non-Dwelling Unit used for Other Purposes.
- (5) Unit Occupied by Non-Assisted Employee.
- (6) Unit Occupied by Non-Assisted Person Providing Tenant or Neighborhood-Oriented services.

For merged unit subcategory, your PHA has to provide a letter to its PHRS in the FO identifying the conversion and the proposed units for conversion (the unit # locations, including project #). When your PHA completes the conversion of the units your PHA needs to send a letter to its PHRS in the FO identifying the unit # locations, including project # that must be shown as merged in PIC. Then HUD Field Office will update the PIC system for those units.

For the other 5 subcategories under the exception category, your PHA has to provide a letter to its PHRS in the FO, identifying the need, the unit # location, including project # and documentation to support the unit use. If the PHRS finds your request is approvable the HUD Field Office will update the PIC system for those units.

### Conversion Unit Clean Up

**Conversion Unit.** There should be no units classified in this sub-category. PHAs must update all units classified as "Conversion" in the Development Sub-module with a proper unit classification. This sub-category, a temporary unit classification that PIH established in FY 2005 to identify units that were previously designated in the Development Sub-module as "non-dwelling,"

### Need help?



Click on  
**Technical Support**

<http://www.hud.gov/offices/pih/systems/pic/ts/index.cfm>

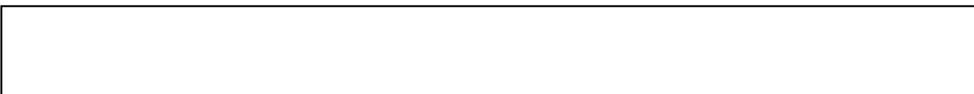
### It's Spring Clean-Up Time..... Time to Clean up Your PIC Data

**New:** On the PIC Data page under Occupancy, there is an Excel report titled **Unit Detail Exception and Vacant or Otherwise Occupied.** This reports helps our Office in confirming approvals of PIC data.

There are two categories in PIC system that your Authority needs to be aware of

- **Exception, & Unit Vacant or**
- **Otherwise Occupied.**

The requirements of those categories are in PIH Notice 2006-36.



will be used by the Department in FY 2006 to temporarily identify all units classified under "Vacant by law" and "Vacant due RMC funding." In accordance with this Notice, the subcategories "Vacant by law" and "Vacant due to RMC funding" are being deactivated and PHAs must reclassify all units that were classified in those subcategories.

### Unit Vacant or Otherwise Occupied

PHA needs prior approval from HUD before entering units into PIC **Unit Vacant or Otherwise Occupied** category, except for the one subcategory **Vacant due to make ready or lease-up time**.

The **Unit Vacant or Otherwise Occupied** category includes 8 subcategories that can be used. They are:

1. Vacant due to casualty loss.
2. Vacant as a result of court litigation.
3. Vacant due to make ready or lease-up time.
4. Vacant due to market conditions.
5. Vacant due to natural disaster.
6. Vacant – undergoing modernization.
7. Unit Occupied by Over-Income Family.
8. Unit Occupied by Police Officer.

For **Vacant due to casualty loss** subcategory, your PHA has to provide a letter to its PHRS in the FO identifying the unit(s), casualty and provides a copy of insurance claim and current status of claim. Once you receive approval from the Field Office you may update the unit detail in the PIC system.

For **Vacant as a result of court litigation** subcategory, your PHA has to provide a letter to its PHRS in the FO identifying the unit(s), and the problem. Once you receive approval from the Field Office you may update the unit detail in the PIC system.

As stated above **Vacant due to make ready or lease-up time** your PHA can identify units in this

subcategory anytime and submit to have the data uploaded in PIC - no HUD approval is necessary. For **Vacant due to market conditions** subcategory, your PHA will have to submit a waiver to the HUD FO. Reference Notice PIH 2007-7. Once you receive approval from the Field Office, you may update the unit detail in the PIC system.

For **Vacant due to natural disaster** subcategory, your PHA has to provide a letter to its PHRS in the FO, identifying the units and project #s that are being affected by the Natural Disaster. Once you receive approval from the Field Office you may update the unit detail in the PIC system.

For **Vacant – undergoing modernization** subcategory, your PHA has to provide a letter to its Engineer in the FO, identifying the units and project #s that are being modernized, what the CFP budget work items being done, and the contract start date and projected finish date. Once you receive approval from the Field Office you may update the unit detail in the PIC system.

For **Unit Occupied by Over-Income Family** subcategory, your PHA has to have a policy for initial rental to over-income families in place and as part of its PHA plan. The PHA needs to provide a letter to its PHRS in the FO, identifying the unit(s), and the project location each time it does an initial rental to an over-income family. Once you receive approval from the Field Office you may update the unit detail in the PIC system.

For **Unit Occupied by Police Officer** subcategory, your PHA has to have identified in its PHA the unit, including project# to be occupied by the officer(s), and documentation to support the need. Your PHA needs to provide a letter to its PHRS in the FO, identifying the unit(s) including project #, and documentation to support the need. Once you receive approval from the Field Office you may update the unit detail in the PIC system.



**All changes to PHA staff – Please** (1) keep current all contact information relating to PHA staff in PIC e.g., names, telephone numbers, addresses, and (2) E-mail this information to [Myesha\\_Haynes@HUD.gov](mailto:Myesha_Haynes@HUD.gov)

## PIH Notices and Regulations 2007 Notices

| Notice  | Issued/Expires                                 | Purpose   |
|---|--|---|
| <a href="#">PIH 2007-8 (HA)</a>   | Issued: March 22, 2007 Expires: March 31, 2008 | Extension - Notice <a href="#">PIH 2006-15 (HA)</a> , Single Audit Act (A-133) Independent Auditor Report Submission for Public Housing Agencies (PHAs). This notice extends Notice PIH 2006-15, same subject, which will expire on March 31, 2007, for another year until March 31, 2008. Notice <a href="#">PIH 2005-11</a> extends the requirement that a PHA shall provide one copy of the completed audit report package and the Management Letter, performed under the Single Audit Act Amendment of 1996 (P.L. 104-156) and issued by the independent auditor, to the local HUD office having jurisdiction over the PHA. |
| <a href="#">PIH 2007-7</a>  | Issued: March 13, 2007 Expires: March 31, 2008 | This notice provides guidance to public housing agencies (PHAs) and field offices on the grounds for appeals and the procedures for submitting appeals under the final rule.  |
| <a href="#">PIH 2007-6 (HA)</a>   | Issued: March 7, 2007 Expires: March 31, 2008  | The purpose of this Notice is to clarify the circumstances under which HUD will consider a voluntary transfer of budget authority and corresponding baseline units for the HCV program (including PBVs and PBCs) from the divesting PHA's Consolidated Annual Contributions Contract (CACC) to the receiving PHA/s' CACC. It also explains the process and procedures associated with such a transfer. Sections 3 through 12 address the HCV program. Special provisions for transfers of PBVs and PBCs are addressed in separate sections of this notice.  |
| <a href="#">PIH 2007-5 (HA)</a><br><br>▶ <a href="#">Related attachment</a> | Issued: Feb. 16, 2007 Expires: Feb. 28, 2008   | This notice transmits a revised Housing Assistance Payments Contract (HAP Contract, form HUD 52641) and a revised Tenancy Addendum (form HUD 52641A). These forms have been revised to reflect the statutory requirements of the Violence Against Women and Justice Department Reauthorization Act of 2005 (VAWA 2005) that are related to housing choice voucher program HAP contracts and leases. These forms are available through <a href="http://www.hudclips.org">HUDCLIPS</a> ( <a href="http://www.hudclips.org">www.hudclips.org</a> ). [...]  |
| <a href="#">PIH 2007-4 (HA)</a>   | Issued: Feb. 4, 2007 Expires: Feb. 28, 2008    | This Notice extends HUD Notice <a href="#">PIH 2006-12</a> , same subject, which will expire on February 28, 2007, for another year until February 28, 2008, with the exception of any guidance that has been superseded by subsequent HUD Notices related to the DVP.[...]   |
| <a href="#">PIH 2007-3 (HA)</a>   | Issued: Jan. 23, 2007 Expires: Jan. 31, 2008   | HUD has aggressively worked to provide displaced families housing stability during the period of displacement through the payment of Katrina Disaster Housing Assistance Program (KDHAP) and Disaster Voucher Program (DVP) rental subsidies. As pre-disaster HUD-assisted housing units damaged by Hurricanes Katrina and Rita come back on-line, the Department remains fully committed to providing displaced families the opportunity to reoccupy their pre-disaster HUD-assisted housing. [...]  |
| <a href="#">PIH 2007-1 (HA)</a>   | Issued: Jan. 3, 2007 Expires: Jan. 31, 2008    | This Notice reinstates <a href="#">Notice PIH 2006-1 (HA)</a> , which expires January 31, 2007, for another year until January 31, 2008.  |

Past PIH Notices:

[2006](#) > [2005](#) > [2004](#) > [2003](#) > [2002](#) > [2001](#) > [2000](#) > [1999](#) > [1998](#) > [1997](#) > [1996](#) > [1994-1995](#)

Notices can be found on HUD website: <http://www.hud.gov/offices/pih/publications/notices/>



Carroll Lorbett, Editor

Dear Readers, The focus of the newsletter is to provide you with information so that your PHA can successfully meet all Federal statutory and regulatory requirements that apply to the business of managing a public housing authority. To that end, we need your input. Is there a topic or question that we can highlight in the newsletter? Please E-mail your response to [Carroll J. Lorbett@hud.gov](mailto:Carroll.J.Lorbett@hud.gov). *Thank You!*