



Office of Public Housing

News-to-Use Letter

Greetings from Ann Roman, OPH Director: The last 3 months have been extremely busy here, which explains why this issuance of our newsletter is a quarterly one. As you will see in the articles below, there have been a lot of changes: the student housing rule, the Violence Against Women Act, 2006 capital fund processing, and operating fund. We also have had staff changes. Veronica Trau recently joined our office from the New Orleans OPH office. She will be a Financial Analyst. I hope to fill another Financial Analyst position soon. It is with a sad heart that I report that Kathryn Grosscup will be leaving OPH the middle of July. Her family has relocated to Glenwood Springs, CO and we wish her the greatest success in her future endeavors there. Soon we should have an updated territory-staff assignment chart posted on our web page.

2006 SuperNOFA Update

A technical correction to the 2006 SuperNOFA was published on May 25, 2006. The application submission date for the Public Housing Neighborhood Networks is extended to June 21, 2006. Technical corrections are provided for the ROSS programs, with no changes in application submission dates.

Capital Funds Grant Program (CFP)

On May 31, 2006, HUD published Notice PIH 2006-18, which provides processing instructions and timeframes for the 2006 CFP. As was the case last year, the 2006 funding packet will be available electronically from the HUD web page for PHAs. PHAs need to submit their ACC documents by July 11, 2006.

2006 Operating Fund Update

PHAs should have received notification that additional Operating Fund subsidy has been made available for July, August and September. This subsidy was made available at a provisional 85.5% proration until final funding for calendar year 2006 is determined. Once any revisions have been processed and eligibility needs have been calculated for October, November, and December, a final proration factor will be determined and operating fund subsidy provided.

Student Housing Final Rule

HUD's 2006 Appropriations Act had two important provisions that impact Section 8 housing assistance eligibility for students. Section 327(a) of the Act restricts assistance to students who do not meet certain qualifications. Section 327(b) of the Act provides that any financial assistance received in excess of amounts received for tuition, shall be considered income to that individual, except for a person over the age of 23 with dependent children. A Final Rule was published on December 30, 2005 and additional guidance was published on April 10, 2006. The rule requires that if a student is enrolled at an institution of higher education, is under the age of 24, is not a veteran, unmarried and does not have a dependent child, is individually ineligible for Section 8 assistance, or the student's parents are ineligible for assistance, **no** assistance can be provided to that student. Unless the student is determined independent from his or her parents, the eligibility of a student seeking Section 8 assistance will be based on both the student and the parents being determined income eligible for section 8 assistance. Additionally, the financial assistance of the student in excess of tuition will be included in annual income when determining the student's eligibility for Section 8 assistance.

Please note that the April 10 Federal Register notice states that additional guidance will be published for the mod rehab and project-based voucher programs. HUD has also posted questions and answers regarding this rule on the web at the following address:

<http://www.hud.gov/offices/pih/publications/studentruleqa.pdf>

PIC Update

We don't now when, but we have heard that HUD is moving closer to final implementation of the Single Sign-On Conversion. You may recall that this was one of our priority efforts this past summer and fall. PHA staff obtained "MID's" but have not been able to access PIC using the REAC portal and your MID. The problems with HUD's hardware capacity are closer to being resolved. We strongly encourage PHA staff to start using and testing your MID for accessing PIC, and comparing what rights and roles you have with your MID as compared to your old PIC ID. You will want to make sure that your access, roles and functionality under your MID is the same as what is the case with your PIC ID; and if not, you will want to work with your systems administrator to see that you have the MID access and rights that you need. This would be an excellent time to do this testing instead of being caught short when MID use is mandatory and your PIC ID no longer is operational.

PIC Reporting Requirements

PIH Notice 2006-24 was issued June 30, 2006. This notice replaces PIH Notice 2005-17 and provides new timeframes for HUD's annual assessment of a PHA's reporting of Form HUD-50058 to PIC. PHAs are required to maintain a 95% reporting rate. In 2006 all PHAs will be assessed in October, based on the September 30th Delinquency Report, for both the public housing and Housing Choice Voucher program. Sanctions would be effective December 1, 2006. Beginning in 2007, PHAs will be assessed in July based on the June 30th Delinquency report. (If your PHA previously received correspondence from our office regarding PIC reporting and potential sanctions pursuant to PIH Notice 2005-17, additional corrective action is not required and any sanctions will not be implemented. Your PIC reporting performance will be assessed again as of September 30, in accordance with Notice 2006-24.) Please pay close attention to section 5 of the notice, which addresses sanctions, as well as section 8 of the notice, which addresses actions PHAs can take, and documentation to be submitted to demonstrate reporting compliance and to avoid sanctions. This documentation is submitted electronically to HUD headquarters, with a copy to our office. Please note that there is no forbearance process as was provided for in PIH Notice 2005-17.

EIV Testers Wanted

HUD is looking for PHA staff to test the upcoming release of EIV 6.0, which is scheduled for roll-out on 09/25/06. There will be two cycles of testing. You may participate in one or both cycles of testing. The dates are 8/9-14/06 and 8/16-21/06. Testing time will depend on which test scripts, as well as the number of test scripts you run. Most testers usually test for 1-2 days. Testers will have to test from a HUD office. This is a great opportunity to see what's new in EIV, provide feedback and make recommendations for future enhancements! If you are interested, please contact your Public Housing Revitalization Specialist.

Grant Writing Training

HUD's Office of Faith-Based and Community Initiatives is providing grant writing training in several locations across the country. You or some of your local partners may wish to attend this free training. Below is information about sessions still scheduled for Region VIII:

Location	Dates	Contact Person
Mike Mansfield Training Center, Billings, MT	July 19-20, 2006	Larry Gallagher 406-447-1480
TBD Sioux City, IA	August 15-16, 2006	Erik Amundson 605-731-7694
Best Western Ramkota Casper, WY	August 29-30, 2006	Chris Stearns 307-261-6245
Aware Training Center Anaconda, MT	September 6-7, 2006	Larry Gallagher 406-447-1480
County Library Moab, UT	September 14-15, 2006	Pauline Zvonkovic 801-524-6076

Violence Against Women and Department of Justice Reauthorization Act of 2005 (VAWA)

On January 5, 2006, President Bush signed into law VAWA, which became effective upon enactment. VAWA 2005 reauthorizes and amends the Violence Against Women Act of 1994. In addition it consolidates major law enforcement grant programs, makes amendments to criminal and immigration laws, and makes amendments to other statutes, including certain HUD statutes, to support and strengthen efforts to combat domestic violence and other forms of violence against women. Title VI, "Housing Opportunities and Safety for Battered Women and Children", of VAWA has provisions affecting HUD's programs administered by PHAs. VAWA prohibits the eviction of, and removal of assistance from, certain persons living in public or Section 8-assisted housing if the asserted grounds for such actions is an instance of domestic violence, dating violence, sexual assault, or stalking, as those terms are defined in Section 3 of the U.S. Housing Act of 1937 as amended by VAWA. On June 23, 2006 HUD issued notice PIH 2006-23 which provides guidance regarding VAWA. Important points to keep in mind include:

- PHA's 5-Year and Annual PHA Plans must contain information regarding any goals, activities, objectives, policies, or programs of the PHA that are intended to support or assist victims of domestic violence, dating violence, sexual assault or stalking.
- Section 606 of VAWA requires the issuance of a "HUD approved certification form" for victims of abuse to use in the event that a PHA or a Section 8 owner requests that a victim of abuse certify that the alleged incidents of abuse are bona fide. Until HUD develops such a form, PHAs, owners, and managers are encouraged to accept other types of certifications from alleged victims.
- HUD is developing proposed regulations that make conforming changes in existing regulations. Nevertheless, PHAs should be mindful that the statutory provisions of VAWA were effective January 5, 2006.

2007 Proposed Fair Market Rents

The proposed 2007 fair market rents for the Housing Choice Voucher Program and Moderate Rehabilitation Single Room Occupancy Program were published in the Federal Register on June 15, 2006. Comments are due August 1, 2006 and the proposed FMRs would be effective October 1, 2006.

PHA Litigation

Litigation Handbook, Handbook 1530.01 REV-5, issued May 18, 2004 ("Litigation Handbook")

The Litigation Handbook identifies PHA's duties and responsibilities concerning PHA litigation. Section 3-3 of the Litigation Handbook includes an Addendum to Engagement Agreement. HUD urges PHAs to include the Addendum contract provisions in all of their legal services contracts. Additionally, PHAs are reminded that all litigation involving a PHA program, project or activity funded under an Annual Contributions Contract with HUD must receive HUD Regional Counsel approval for the following actions:

- Initiation of Litigation: a PHA must submit reasons for instituting litigation;
- Defense of Litigation: a PHA's use of program funds to defend PHA litigation;
- Litigation Services Contracts with Private Attorneys: any PHA litigation services contract where the fee is expected to exceed \$100,000;
- Appeals; and
- Settlement terms.

A complete copy of the Litigation Handbook may be downloaded at www.hudclips.org. You may also contact Ellen Dole, Regional Counsel at 303-672-5409, extension 1339 or Janice Clark, Attorney-Advisor at extension 1353 if you have any questions.

Procurement of Legal Services

PIH 2006-9 (HA), Reinstatement – Notice PIH 2003-24 (HA), Procurement of Legal Services by Public Housing Agencies, issued February 3, 2006 (“Notice”).

As you are aware, HUD recently reinstated the 2003 notice concerning the procurement of legal services. The Notice generally sets forth procedures for PHAs to follow when procuring legal services. In particular, the Notice includes an overview of the following key areas: 1) procurement methods; 2) PHA house counsel guidance (attorneys employed by the PHA); 3) Regional Counsel and/or Headquarters Program Associate General Counsel approval of litigation contracts; and 4) the Addendum to Engagement Agreement. In addition to this Notice, 24 C.F.R. §85.36, the HUD Handbook 7460.8 REV 1, Procurement Handbook for Public Housing Agencies, and the Litigation Handbook provide further guidance concerning procurement-related issues. Our Office of Regional Counsel (ORC) urges PHAs to submit copies of all legal services contracts to its office, addressed as follows:

U.S. Department of Housing and Urban Development
Attention: Regional Counsel
1670 Broadway, 23rd Floor
Denver, CO 80202

Receipt of legal services contracts will provide ORC with the opportunity to render guidance to PHAs concerning HUD requirements. Additionally, ORC will be able to better assist PHAs with oversight and management of any litigation-related matters.

Energy Conservation Challenge to PHAs Managing Low-Rent Public Housing

In our November Newsletter, we challenged all PHAs to have a current energy audit (pursuant to 24 CFR 965.302) and to establish a (voluntary) goal of an overall 10% reduction in energy (heating and electrical) consumption for a six-month period from November 1, 2005 to May 1, 2006 without causing a burden on our residents. Many PHAs formally accepted our challenge; and we are proud to report that at this time all of our PHAs either have a current energy audit or are in the process of procuring the audit. As we approach the end of our “six-month challenge”, we would like to hear from you regarding your efforts and results. If you have any questions, please contact your assigned Facilities Management Specialist.

Smoke Detectors in Low Rent and Section 8 Public Housing

You can prevent tragedies simply by testing and maintaining smoke detectors/alarms and practicing a fire safety plan. Every year in the United States, about 3,000 people lose their lives to residential fires. Most fire victims die from inhalation of smoke and toxic gases, not as a result of burns. Most deaths and injuries occur in fires that happen at night while the victims are asleep. Properly installed and maintained smoke detectors/alarms are considered one of the best and least expensive means of providing an early warning of a potentially deadly fire. Smoke detectors/alarms save lives, prevent injuries, and minimize property damage by enabling residents to detect fires early in their development.

All smoke detectors should be tested at least once a month to make sure they operate properly. A battery operated smoke detector should have batteries replaced at least once a year to make sure the alarm would work when needed. It is a good practice for PHAs to include in their maintenance policy and plan to replace batteries on a seasonal routine, such as when resetting clocks in the spring and fall. When PHAs are undergoing “substantial modernization” (i.e. cost exceeding 75% of published Total Development Costs), PHAs must make smoke detectors hard-wired; and should consider providing smoke detectors in each sleeping room.

For Low-Rent Public Housing, HUD – REAC requires that in accordance with Uniform Physical Condition Standards (UPCS) there must be a smoke detector on each living level of the unit (the most important location is near the bedrooms) and it must be functioning. During a REAC inspection, if the smoke detector is not functioning, the inspectors will record a deficiency and it is reported and must be immediately repaired.

If you have any questions regarding smoke detectors in either low-rent public housing or Section 8 units, please contact your assigned Facilities Management Specialist.

Recent Issuances


Federal Register Issuances – Rules and Program Changes:

- 4/3/06: Disaster Voucher Program; Notice of Statutory and Regulatory Waivers for Public Housing Agencies Assisting with Recovery and Relief in Hurricanes Katrina and Rita Disaster Areas; Notice
- 4/5/06: Operating Fund Program; Transition Funding and Guidance on Demonstration of Successful Conversion to Asset Management to Discontinue the Reduction of Operating Subsidy
- 4/10/06: Eligibility of Students for Assisted Housing Under Section 8 of the U.S. Housing Act of 1937; Supplementary Guidance; Notice
- 5/2/06: Public Housing Assessment System; Revision to the Financial Condition Scoring Process; Notice: Comments due 6/1/06.
- 6/2/06: Final Fair Market Rents for the Housing Choice Voucher Program and Moderate Rehabilitation Single Room Occupancy Program for Fiscal Year 2006; Additional Revision: Effective date is 6/2/06. (Note: No Region VIII PHAs are listed.)
- 6/15/06: Proposed Fair Market Rents for the Housing Choice Voucher Program and Moderate Rehabilitation Single Room Occupancy Program; Fiscal year 2007; Notice: Comments due 8/1/06.
- 6/27/06: Privacy Act of 1974; Notice of Matching Program; Matching Tenant Data in Assisted Housing Programs: Comments due 7/27/06 & computer matching is expected to begin 7/27/06.

Federal Register Issuances – Funding Opportunities:

- 4/11/06: Supplement to the Fiscal Year (FY) 2006 SuperNOFA for HUD's Discretionary Programs: NOFAs for the HOPE VI Revitalization Grants Program and HOPE VI Main Street Grants Program: Notice
- 5/25/06: Notice of HUD's Fiscal Year (FY) 2006 Notice of Fund Availability, Policy Requirements and General Section to SuperNOFA for HUD's Discretionary Grant Programs; Correction

Federal Register Issuances – Information Collection:

- 5/15/06: Notice of Proposed Information Collection to OMB: Grant Application Program Specific Logic Model: Comments due 7/14/06.
- 5/15/06: Notice of Proposed Information Collection for Public Comment; Public Housing Reform Act; Changes to Admissions and Occupancy Requirements: Comments due 7/14/06.
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- 5/25/06: Notice of Proposed Information Collection: Comment Request; Neighborhood Networks Management and Tracking Data Collection Instruments: Comments due 7/24/06.
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- 6/7/06: Notice of Proposed Information Collection for Public Comment; Public Housing Assessment System; Appeals, Technical Reviews and Database Adjustments: Comments due 8/7/06.
- 6/7/06: Notice of Proposed Information Collection to OMB; Emergency Comment Request Emergency Preparedness Plan Survey: Comments due 6/21/06.
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- 6/12/06: Public Housing Financial Management Template: Comments due 7/12/06.
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- 6/28/06: Public Housing Agency Plan: Comments due 7/28/06.
- 6/29/06: Notice of Submission of Proposed Information Collection to OMB; Contract for Inspection Services – Turnkey: Comments due 8/28/06.

Federal Register Issuances – Miscellaneous:

- 4/11/06: Change of Effective Date for Designation of Difficult Development Areas Under Section 42 of the Internal Revenue Code of 1986
- 5/10/06: Notice of Regulatory Waiver Requests Granted for the Fourth Quarter of Calendar Year 2005; Notice

PIH Notices:

- PIH 2006-18, Fiscal Year 2006 Capital Fund Grants Processing Notice, issued 5/31/06
- PIH 2006-22, Public Housing Development Cost Limits, issued 6/21/06.
- PIH 2006-23, Implementation of the Violence Against Women and Justice Department Reauthorization Act 2005, issued 6/23/06.
- PIH 2006-24, Revised Reporting Requirements and Sanctions Policy for the Family Report (Form HUD-50058) to the Office of Public and Indian Housing (PIH) Information Center (PIC)
- PIH 2006-26, Extension—Housing Choice Voucher Program—Enhanced Vouchers – Adjustment of Voucher Housing Assistance Payments for Certain Families that Received “Preservation” Voucher Assistance as the result of an Owner Prepayment or Voluntary Termination of Mortgage Assistance for a Preservation Eligible Property in Federal Fiscal Year (FY) 1997, FY 1998, and FY 1999, issued 6/30/06.

Reminders

- 7/14/06: RASS certifications due for survey plan implementation for 9/30/06 PHAs
- 7/15/06: PHA plans due for 9/30 PHAs
- 7/18/06: PHA survey results available in RASS for 3/31/06 PHAs
- 7/18 – 8/1/06: 3/31/06 PHAs certify RASS Follow-up Plan, as applicable
- 7/30/06: Quarterly recertification deadline date for EIV users
- 7/30/06: ROSS Semi-Annual reports due
- 8/7 – 10/2/06: Residents surveyed for 9/30/06 PHAs (RASS)
- 8/16/06: PHA survey results available in RASS for 6/30/06 PHAs
- 8/16-30/06: 6/30/06 PHAs certify RASS Follow-up Plan, as applicable
- 8/29/06: SEMAP certifications due for 6/30/06 PHAs (Optional submission for small, non-troubled PHAs)
- 8/31/06: MASS certifications and yearend financial statements due for 6/30/06 PHAs
- 9/30/06: A-133 audit reports due for 12/31/05 PHAs
- 9/30/06: Annual Assessment of all PHAs for 95% PIC reporting requirement
- 10/15/06: Requests for Year 1 stop-loss consideration due to field office, as applicable. (See Notice PIH 2006-14.)
- 10/15/06: PHA Plans due for 12/31 PHAs
- 10/15/06: MBE Contract Activity report due
- 10/27/06: PHA survey results available in RASS for 9/30/06 PHAs
- 10/30/06: Quarterly recertification deadline date for EIV users

OPH would like articles, comments, and/or questions from housing authorities in the Rocky Mountain Region. Please send these contributions to Ann Roman at Carol_A._Roman@hud.gov. Thanks!