



John A. Kitzhaber, MD, Governor

## HUD Contract Administration Section

[www.ohcs.oregon.gov](http://www.ohcs.oregon.gov)

May 30, 2014

### SECTION 8 PROGRAM UPDATES

#### **\*OWNER ENTITY AND FORM-1099\***

As it often happens in the multifamily housing industry, the ownership entity of a property may change. This may be due to a sale, death of the sole owner, reorganization of the ownership entity, etc. It is the responsibility of the new owner and/or the previous owner to notify the project manager in the Portland HUD office of the change, and to submit all required documents/information in the format requested. Oregon Housing and Community Services generates and sends the IRS Form-1099 to the owner that is on file with HUD. If this entity is incorrect, OHCS can be fined by the IRS. Therefore, we ask that you either begin the process or complete the process as instructed by HUD if you have recently had an ownership entity change that is not finished or if you received an IRS Form-1099 with an incorrect ownership name. Laura Schmidt, lead voucher specialist at OHCS, may contact you if she is informed of incorrect ownership entity on the IRS Form-1099.

#### **FEDERAL REGISTER NOTICES**

The following Federal Register notices are located at [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/administration/hudclips/whatsnew](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/whatsnew).

Federal Register (FR-5741-N-01) of May 20, 2014 published an updated list of Federally mandated exclusions from income, replacing the list that was published December 14, 2012. It includes: 1) exclusion of any amounts in an "individual development account"; 2) exclusion of any allowance paid under the provisions of 38 U.S.C. 1833© to children of Vietnam veterans born with spina bifida, children of women Vietnam veterans born with certain birth defects, and children of certain Korean service veterans born with spina bifida; 3) clarification of the criteria for Section 8 participants for exclusion; and 4) corrects the timeline of exclusion for settlements payments pursuant to the case entitled *Elouise Cobell et al. v. Ken*

*Salazar et al.* See the entire notice for a complete list of the Federally mandated exclusions from income.

Federal Register (FR-5784-N-01) of May 23, 2014 published Nondiscrimination on the Basis of Disability in Federally Assisted Programs and Activities. HUD issued the document to permit recipients of Federal financial assistance from HUD to use an alternative accessibility standard for purposes of complying with Section 504 of the Rehabilitation Act of 1973 (Section 504) and HUD's implementing regulation at 24 CFR part 8 (Section 504 regulation) until HUD formally revises its Section 504 regulation to adopt an updated accessibility standard. Please see the entire notice for details.

### **TRACS/iMAX RULES OF BEHAVIOR AND SECURITY AWARENESS TRAINING**

This is a reminder that the time is approaching to sign the TRACS/iMAX Rules of Behavior and take the annual security awareness training. All HUD Secure System (WASS) users that access TRACS reports and/or iMAX must accept the TRACS Rules of Behavior (ROB) and complete the Security Awareness Training (within 30 days of acceptance of the ROB). To access the TRACS Rules of Behavior, go into WASS and click on the iMAX link. Read, print, sign, and file the document in a place that is accessible for review and audit by HUD staff and/or HUD's representatives with oversight and monitoring responsibilities. Instructions can be found at: [http://portal.hud.gov/hudportal/documents/huddoc?id=Security\\_Train\\_Requirements.pdf](http://portal.hud.gov/hudportal/documents/huddoc?id=Security_Train_Requirements.pdf). To ensure that the Security Awareness Training certificate prints correctly, copy and paste this link into your internet browser and follow the instructions for question #1: [iase.disa.mil/eta/troubleshoot-guide.html#answer1](http://iase.disa.mil/eta/troubleshoot-guide.html#answer1).

### **TRACS RULES OF BEHAVIOR CLARIFICATION**

February 24, 2014, HUD clarified the TRACS Rules of Behavior instructions for both the Tenant Rental Assistance Certification System (TRACS) and Multifamily Enterprise Income Verification (MF EIV) System. Please **do not** fax or email the ROB to HUD. Print, sign and file the ROB at the site and retain them for audit purposes, whether it is a HUD visit to the site or OHCS is authorized to resume Management and Occupancy Review (MOR) duties.

### **SPECIAL CLAIMS TIP**

As part of HUD's commitment to provide affordable housing, they recognize that owners have potential financial risk because of limitations on security deposits and the need to adhere to the waiting list requirements; therefore, owners can be reimbursed for some of their financial loss through the special claim process. For more information see Special Claim Processing Guide at: <http://www.hud.gov/offices/adm/hudclips/guidebooks/HSG-06-01/HSG-06-01gHBGUID.pdf>.

The number of owners and/or management agents submitting special claims has reduced dramatically over the past year. In an effort to assist you to submit claims, OHCS is starting a new Special Claims Tip section in the memo. See below for this memo's tip.

### **Tip #1 – Waiting List Documentation**

The most common problem with approval of a special claim is OHCS's inability to audit the waiting list. HUD Handbook 4350.3 REV-1 Change 4, **4-18**

**Documenting Changes to Waiting Lists** gives guidance on creating and maintaining a waiting list so that it is auditable by an independent reviewer. The waiting list should read like a story with a clear sequence of events.

### **HUD REGION X WEBSITES**

The HUD Region X website has lots of good information that pertains to Oregon affordable housing owners. There have been many updates since the last OHCS memo was sent. To keep up on the latest information, click the links below:

<http://portal.hud.gov/hudportal/HUD?src=/states/shared/working/r10/mf/whatsnew>

<http://portal.hud.gov/hudportal/HUD?src=/states/shared/working/r10/mf/xmfhsgmanageinfo>

### **INDUSTRY TRAINING OPPORTUNITIES**

- Many training opportunities can be found online by using one of the search engines. Examples include but are not limited to: Oregon AHMA Bootcamps and Conference, Quadel Consulting, and NCHM.
- The following link will take you to a Calendar of Events on the HUD RHIIP website (go to RHIIP Support and Training at the bottom of the page):  
[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/mfh/rhiip/mfhrhiip](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/rhiip/mfhrhiip)

***If you have problems with any of the links in this memo, try the following:***

- 1. First, hold down the Ctrl key and click on the link, or***
- 2. If #1 did not work, highlight the link and copy/paste it into the browser address bar.***
- 3. OHCS Section 8 memos are posted to the OHCS website at:  
<http://www.oregon.gov/ohcs/Pages/hca-communication-memos.aspx>  
(There is a delay in posting the new memos.)***