



## Hurricane Preparedness

HUD's Ft. Worth Regional Hub, HUD's Houston Office of Multifamily Housing, AHMA East Texas, and SHCC conducted a Disaster Preparedness and Recovery Seminar at The Briar Club in Houston, Texas on July 16, 2009, with approximately 100 people in attendance. The seminar included a panel of representatives from Federal, State, Harris County and City of Houston offices including Keynote Speaker Judge Ed Emmett, the Harris County Director of Emergency Management. Presentations were also given by Michael Backman, Director, HUD Ft. Worth Regional Hub; Ed Ellis,



*SHCC representatives with HUD Ft. Worth Regional Hub Director Michael Backman and HUD Houston Multifamily Program Center staff at the Disaster Preparedness and Recovery Seminar in Houston on July 16, 2009.*

HUD Emergency Response Regional Coordinator, Ft. Worth; Ed Pringle, Director, Houston Field Office; representatives of the Houston Multifamily Program Center; and representatives of SHCC. The speakers addressed the types of emergency services available immediately preceding and following a disaster, the elements of an Emergency Response Plan, what to expect from HUD in the first 72 hours, issues regard-

ing resident relocation, and HUD practices including mortgage forbearance, escrow of insurance proceeds, and HUD follow-up assessments. SHCC presented information, based on previously released HUD Guidance, on voucher adjustments for displaced residents and uninhabitable units, communicating with displaced residents, and re-occupancy issues. Reprinted on page 6 is a Hurricane Preparedness Tip Sheet from HUD's Ft. Worth Regional Hub, originally distributed in 2007.

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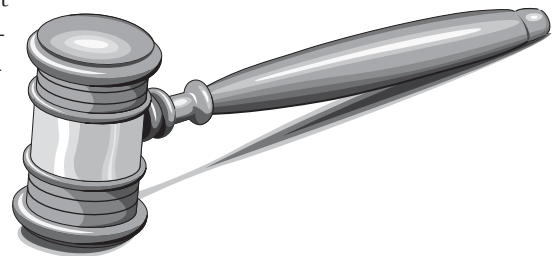
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[www.shccnet.org](http://www.shccnet.org)



# HUD's Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs Final Rule

On January 27, 2009, HUD's *Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs* Final Rule (the "Final Rule") was published in the Federal Register. The Final Rule revises several HUD program requirements related to an applicant and/or resident's eligibility and level of assistance. The following is a summary of the more significant changes that will take effect **September 30, 2009**.

- **Enterprise Income Verification (EIV).** Owners/Agents must implement and use HUD's EIV system as a third-party source to verify resident's employment and income information during any recertification/reexamination of family composition and/or income. We recommend you do not delay, as it is mandatory that you establish access, develop policies and procedures, and begin using the EIV system during the recertification process no later than September 30, 2009.



- **Social Security Numbers (SSN).** Social Security Numbers must be disclosed for all household members receiving assistance. Assistance will not be prorated for family members contending eligible immigration status who are unable to disclose their SSN. We strongly encourage you to notify current households and those on the waiting list of this change so that they may begin the process of applying for a SSN or obtaining appropriate verification of an issued SSN if needed. *Note:* The Final Rule requirements regarding SSNs do not apply to individuals in mixed families who do not contend eligible immigration status.
- **Verification of U.S. citizenship or nationality.** Owners/Agents must obtain verification of the signed declaration of U.S. citizenship or nationality. Examples of verification documents include a U.S. passport, U.S. birth certificate, employment authorization card, temporary resident card, or other appropriate documentation. We strongly recommend that you notify current households and those on the waiting list of this change so that they may begin the process of obtaining the required evidence of citizenship.
- **Calculating Income.** Owners/ Agents will have the discretion to use actual past income, instead of projected future income, when calculating a household's annual income if the family reports little or no income or the family's income fluctuates due to seasonal or cyclical income.

The full text of the *Refinement of Income and Rent Determination Requirements* Final Rule was published in the January 27, 2009 Federal Register (74 Fed. Reg. 4832) and can be found at: <http://edocket.access.gpo.gov/2009/pdf/E9-1248.pdf>.

The implementation deadline was extended to September 30, 2009. The Notice of Delay was published in the March 27, 2009 Federal Register (74 Red. Reg. 13339) and can be found at: <http://edocket.access.gpo.gov/2009/pdf/E9-6942.pdf>. ■

# HUD's Final Rule—Discussion on the Requirement for Social Security Numbers

HUD's *Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs* Final Rule, summarized in the preceding article, includes critical changes that will affect how properties submit future certifications (50059s) via iMAX in regard to **Social Security Numbers (SSN)**. Effective September 30, 2009, Social Security Numbers (SSNs) must be disclosed for *all household members* receiving assistance. Here are the basics of this new regulation that you must know and relay to your residents:

- **Current assisted household members.** Household members admitted *prior* to September 30, 2009 who have claimed eligible citizenship status and are currently listed on the HUD Form 50059 as having no SSN (or 999-99-9999, a TIN#, etc., as their number) must provide their SSN at the time of the next interim or regularly scheduled recertification. If the member does not provide his/her SSN at the time of the recertification, the entire household's assistance will be terminated. There is no pro rata option for this household if any member, having claimed to be eligible for assistance, does not provide their SSN.
- **New household members.** If a household adds a new member claiming eligible citizenship status *after* September 30, 2009, including a child, the new member's SSN must be disclosed at the time of the request and/or processing of the interim recertification to change the family composition. If the household is planning on requesting assistance for the new member, he/she cannot be added to the household and the interim recertification cannot be processed until the SSN has been provided.
- **Applicants.** *After* September 30, 2009, all members of an applicant household who are claiming eligible citizenship status must provide documentation of their SSN prior to admission to the program. Applicants who cannot provide SSNs for all family members are allowed to retain their position on the waiting list. However, they must provide appropriate documentation of a SSN for all family members to be subsidized *before* they are admitted.

**Note:** The Final Rule requirements regarding SSNs do not apply to individuals in mixed families who have not and continue to not claim eligible immigration status.

SHCC strongly encourages you to notify current households, as well as those on the waiting list, of this change so that they may begin the process of applying for a SSN or obtaining appropriate verification of an issued SSN if needed. ■

## Does your HAP contract expire before October?

## Have you submitted your request to renew?

If your HAP contract expires before October 2009, it is imperative that you submit the necessary forms as soon as possible. Many of you know that this time of year is SHCC's busy season for contract renewals. In order to ensure that all contracts are renewed on time, we need you to help by submitting your request 120 days before your contract expires. You should have received a reminder letter with details on what you should submit. If you have not or if you need assistance with your submission, please contact your SHCC Financial Analyst. A list of SHCC Financial Analysts by name and telephone extension can be found at our website, [www.shccnet.org](http://www.shccnet.org). Our website also contains forms and links to various HUD websites that can assist you in preparing your submission.

**Give us a call! We are here to help!**

## HUD Issues New Management Review Guidance—HUD Handbook 4350.1 Chapter 6

On June 23, 2009 HUD released updated guidance in HUD Handbook 4350.1, Chapter 6—Conducting Management Reviews (MORs). The revision included significant changes to the guidance on MOR Report ratings, to include:

- Updated descriptions of MOR ratings and information on criteria for assigning category ratings in the MOR Report
- A new quantitative scale for determining the overall MOR Report rating
- The impact of a REAC physical inspection score on the category ratings and overall ratings in the MOR Report

On June 30, 2009 HUD announced that it had delayed implementation of the Chapter 6 update to the 4350.1 until September 29, 2009. The purpose of the delay is to allow time for HUD personnel and you, HUD's industry partners, to review the revised guidance and submit questions for clarification.

A copy of the updated Chapter 6, Handbook 4350.1 can be downloaded from HUDClips at: <http://www.hud.gov/offices/adm/hudclips/handbooks/hsg/4350.1/43501c6HSGH.pdf>

We encourage you to read the revised Chapter 6, and submit any comments or questions you have to the following HUD email address: [PPSDCommunications@hud.gov](mailto:PPSDCommunications@hud.gov).

The subject line of your email should be "Chapter 6, Handbook 4350.1." The deadline to submit your comments and questions is **August 20, 2009**. ■

## Change 3 to HUD Handbook 4350.3 REV-1 Released

On June 23, 2009, HUD issued Change 3 to HUD Handbook 4350.3 REV-1. The release was announced in HUD's July 2, 2009 RHIIP Listserv. According to the announcement, the majority of the changes are corrections or clarifications to the current Handbook text. The changes must be implemented by **August 1, 2009**.

Changes in the revised Handbook are denoted by an asterisk (\*) at the beginning and ending of the change, a "CHG-3" reference in the header, and a version date of "06/09" at the bottom right-hand corner of the page. While every chapter in the Handbook contains changes and/or revisions, some of the more significant changes include:

- Revised and expanded live-in aide requirements
- Updated information on gaining access to and use of the SAVE (Systematic Alien Verification Entitlements) system to verify an applicant's eligible immigration status
- Updated guidance, incorporating Housing Notice H 03-07 requirements, on how to treat deployed military personnel
- Clarified guidance on how to treat pension income paid to a former spouse
- Clarified requirement to repay assistance for month's

13–15 when assistance is terminated for a failure to submit annual recertification information

- Inclusion of TRACS 202C requirements, including the new HUD-50059-A
- Change in the resident signature requirement on Form HUD-50059-A for gross rent changes. As revised, resident signatures must be obtained within 60 days of the date of implementation of the gross rent change.
- New guidance in House Rules for residents conducting incidental business from their apartment, such as babysitting or computer work.

A complete list of the corrections and updates that were made in Change 3 can be found in the Transmittal notice posted on HUDClips: <http://www.hud.gov/offices/adm/hudclips/handbooks/hsg/4350.3/43503trnHSGHchg3.pdf>

A complete copy of Change 3 of the HUD Handbook 4350.3 REV-1 is posted on HUDClips at: <http://www.hud.gov/offices/adm/hudclips/handbooks/hsg/4350.3/index.cfm>

To sign up for HUD's RHIIP Listserv mailing list go to <http://www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm> and click on "Multifamily RHIIP Tips" in the "Want More Information?" box. ■

## Neighborhood Networks—An Opportunity for Your Property and Your Residents

HUD's Neighborhood Networks program encourages properties, working with community partners, to establish multiservice community learning centers for residents living in HUD multifamily insured and/or assisted housing. The initiative, created in 1995, has met with great success. There are more than 1,400 Neighborhood Network centers located throughout the country, assisting residents with finding jobs and improving the quality of their lives. The centers are designed to best meet the needs of the residents they serve. For example, centers can be developed to provide any of the following: adult job-training classes including training in computer skills; GED preparation; English as a second language; youth educational afterschool activities and mentoring programs; and computer learning programs for seniors to teach them the basics that will allow them to access computers for online search information and emails.

In today's economy, Neighborhood Networks centers can provide valuable essential services in adult education and computer skills classes to help residents acquire the skills employers require. They can also provide ancillary support services to residents seeking employment, such as assistance with securing childcare and transportation. The Neighborhood Networks centers are supported by a wide-ranging group of community partners, including local and national businesses, nonprofits, educational institutions, civic organizations, and Federal and State government agencies. Through the development of Neighborhood Networks centers, properties can increase community interest and involvement, to the mutual benefit of residents, the property, and the broader community.



The following excerpt from the HUD Neighborhood Networks website sums it up nicely. "The benefits of a Neighborhood Networks center are far-reaching. Adults gain access to onsite programs and services that provide job skills, education, and supportive services, fostering healthier, self-sufficient families. Children and youth are given an environment that promotes academic achievement. Seniors gain access to health programs and services, computer training, and activities that help them remain productive and maintain their quality of life and self-sufficiency. Residents with disabilities gain access to equipment, products, and software that incorporate assistive technology. Property owners and managers often realize a return on their investment as a Neighborhood Networks center makes a property more attractive to both potential and existing residents and decreases security and upkeep costs. Partners connect with the community whose support is critical to their success and increase awareness of their organizations with the community. And, communities benefit by the creation of a positive force that connects residents and community members to greater opportunities."

HUD holds an annual Neighborhood Networks Week, highlighting the importance of the initiative. HUD's 2009 Neighborhood Networks week is scheduled August 3–8, 2009.

To learn more about HUD's Neighborhood Networks, call HUD's Neighborhood Networks Information Center toll-free at (888) 312-2743. Extensive information is available at HUD's website, <http://www.hud.gov/offices/hsg/mfh/progdesc/nnw.cfm>. Additionally, HUD staff, known as Neighborhood Networks Specialists, are available to provide assistance. In Texas and Arkansas, contact:

- **Eleanor Peyton** Houston Multifamily Program Center, at (713) 718-3165
- **Mary Frances Byrd** Houston Multifamily Program Center, at (713) 718-3174
- **Sandi Z. Orta** San Antonio Multifamily Program Center, at (210) 475-6800 x 2200
- **Jeanne King** Ft Worth Regional Hub, at (817) 978-5772
- **Gwen Casson** Little Rock Multifamily Program Center, at (501) 918-5719 ■

## Hurricane Preparedness Tips

### Advice for Property Managers

- Identify local Emergency Management Contacts, for example, police and fire departments.
- Identify families that may need special assistance in an evacuation. **Have them register through the Emergency 211 number immediately.** Also, forward their names to the local Emergency Management Contact.
- Establish an emergency phone number and point of contact for your residents to get in touch with if they are forced to evacuate. You'll want them to be able to report to you on their location and current condition.
- **If your property is assisted or insured by HUD, know how to contact the HUD Project Manager assigned to your apartment complex. Call this person to report damage or displaced residents. Make sure your HUD Project Manager has an emergency contact number for you.**
- Make a plan for securing/transporting important management files.
- To help protect your property from the force of hurricane winds, board up doors and windows with plywood or install storm shutters. Keep in mind that winds are stronger at higher elevations, such as high-rise apartments or condos.

### Advice for Your Residents

- Most importantly, know how to reach your local Emergency Management Contacts, for example, police and fire departments.
- If you would have difficulty evacuating by yourself, call 211 ahead of time. Also contact your local Emergency Management Agency.
- If you have your own mode of transportation, fill up your fuel tank now, rather than after an evacuation begins.
- Get information from your local Emergency Management Contact on evacuation routes. The State has predetermined routes for different parts of the state.

- Bring in outdoor objects that could become deadly missiles, such as patio furniture, hanging plants, trash cans, gardening tools and barbecues.
- If your home is vulnerable to rising water, move furniture and valuables to a higher level.
- If you have pets, purchase carrying containers for their transport.
- Before evacuating, cut off your electricity and turn off the gas. Downed electrical wires and broken gas pipes can be deadly and cause serious property damage. Make a final walk-through inspection of your home before leaving.
- Assemble a family emergency supply kit and have it ready to go at a moment's notice. It should contain the following items: radio and flashlight with extra batteries, extra eyeglasses, medications and prescriptions, special products for babies and the elderly, bottled water, nonperishable food, clothes, bedding, and important documents sealed in waterproof containers.
- When officials recommend evacuation, leave. Do not try to ride out a hurricane in a high-risk area. Seek shelter inland with family or friends, at a hotel or designated shelter. Notify relatives and friends of your plans, and confirm hotel reservations.
- Find out where shelters are located along your route in case clogged roads prevent you from reaching your destination.
- The State and Red Cross have recommended certain items in a "survival kit" to take if you are being evacuated by the State. Go to <http://www.txdps.state.tx.us/dem/pages/index.htm> for those recommendations. Information on emergency management for the state of Arkansas can be found at <http://www.adem.arkansas.gov/>.
- The State and local government will start making public address announcements regarding the storm. Keep your families informed of any announcements that are being made. ■

## Waiting List Management Tips

Properties are required to maintain a waiting list to keep a record of potential residents and to ensure they have an acceptable pool of applicants to fill vacancies. The waiting list also functions as the document used to ensure applicants were selected in the proper order according to HUD regulations, preferences, income levels, need for an accessible unit, and the property's Tenant Selection Plan. The waiting list also can help a reviewer determine whether

applicants were rejected or removed appropriately, such as for failure to update their application. See 4350.3 REV-1 Change 3 at Chapter 4, Section 3, which discusses waiting list management.

**Auditable Record.** A property's waiting list should be a clear record of the events regarding applicants. The property should make note of every action taken or contact made with an appli-

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# Waiting List Management Tips

Continued from page 6

cant, even if the action seems obvious. The notes should describe the reason the action was taken or contact made in sufficient detail to be easily understood by any person reviewing the waiting list.

**Dates.** A key factor in maintaining an auditable waiting list record is including the date of each action taken. Dates help the reviewer create a timeline of events, which is needed to confirm that actions were taken in the correct order. Therefore, the date the action was taken or contact was made should be included with each note describing the action taken or contact made.

**Alterations.** Another important tip in maintaining the waiting list is to be careful not to totally black out or erase information on rejected/removed applicants. While it is an acceptable practice to cross out the information, it must be done so that the information is still legible. Blacking out entire sections, highlighting with dark colors or crossing out entries with multiple lines can obscure information and make it difficult for a reviewer to verify the reason and/or date an applicant was removed.

**Skipped lines.** Creating a waiting list with a blank line between applicants may seem like a good practice, in that it makes informa-

tion easier to read. However, skipped lines between applicants can create a confusing situation. It can lead to an applicant being inserted out of order, which can call into question the integrity of the information. SHCC recommends that properties not set up a waiting list with blank lines between applicants. The same issue can arise if not all the fields or columns are completed on the waiting list. If options that can affect order of selection from the waiting list are left blank (income level, preferences), it is easy to populate those fields at a later date, and thereby attempt to validate an inappropriate action after the fact.

Appropriately creating and maintaining waiting lists is important—the waiting list serves to document that properties are treating all applicants consistently and fairly. It is the record of what actions were taken, why actions were taken, and when actions were taken. Maintaining an auditable record not only makes it easier for a property to track actions on the waiting list and manage their pool of applicants appropriately, but also serves to protect the property should a third party question the property's resident selection practices. ■

## What's New at SHCC?

**Scholarship Awards Ceremony.** On July 16, 2009, SHCC participated in the Scholarship Awards Program at AHMA East Texas in Houston, Texas, awarding \$30,000 in educational scholarships to 15 recipients. The SHCC/AHMA East Texas Education Scholarship Program began in 2003. The program is funded by SHCC and administered by AHMA East Texas. SHCC is proud to be a partner in the program, which supports educational and career opportunities for residents of Section 8 housing in the East Texas area. SHCC has funded \$143,000 in scholarship money since the inception of the program, providing educational scholarships to over 63 deserving students in the six years of its existence. SHCC similarly funds an Educational Scholarship Program for SWAHMA, available to residents of properties throughout Texas and Arkansas. We encourage property managers to contact AHMA East Texas and SWAHMA regarding the scholarship programs, and become involved in promoting the scholarship programs for your residents.



SHCC representative Suzanne Cowper at the SHCC/AHMA East Texas Education Scholarship Awards Program on July 16, 2009. Congratulations to the 15 scholarship award recipients!

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*SHCC encourages you to sign up for RHIIP ListServ, a HUD Multifamily Housing Program internet mailing list. The RHIIP ListServ provides current RHIIP related publications, news, information and occupancy tips in an effort to help reduce errors in rent determinations and subsidy calculations.*

*To sign up for the RHIIP ListServ, visit [www.hud.gov/subscribe/maillinglist.cfm](http://www.hud.gov/subscribe/maillinglist.cfm)  
You can view the RHIIP Tips Archives, under "ListServ—Multifamily RHIIP Tips" at [www.hud.gov/offices/hsg/mfb/rhiip/mfbrhiip.cfm](http://www.hud.gov/offices/hsg/mfb/rhiip/mfbrhiip.cfm).*



## Southwest Housing Compliance Corporation

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## THE ADMINISTRATOR

### CONTACT INFORMATION

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Corporation

#### Physical Address:

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Austin, TX 78704

#### Mailing Address:

P.O. Box 6430  
Austin, TX 78762

#### Main Phone:

512-474-5332

#### Community Relations:

888-842-4484

#### TTY:

800-735-2988

#### Fax:

512-476-4238 or 512-437-3898

[www.shccnet.org](http://www.shccnet.org)

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### UPCOMING TRAINING

#### RRHA

(Rural Rental Housing Association of Texas) • Visit the RRHA website at <http://www.rrhatx.com>.

**RRHA 2009 Texas Annual Conference and Tradeshow**  
August 10–13, 2009—Omni Hotel, Corpus Christi, Texas

SHCC will participate in the RRHA Texas Annual Conference and Tradeshow, with workshops on the 4350.3 Change 3, The Final Rule and EIV; the Basics of SHCC's Management Review, Rent Adjustments, Voucher Processing, Call Center Policies & Procedures and REAC Follow-up. For conference details & registration visit the RRHA website.

#### SWAHMA

(Southwest Affordable Housing Management Association)

Visit the SWAHMA website at <http://www.swahma.com>.

**Arkansas Affordable Housing Conference & Contract Administrator Workshop**  
August 26–27, 2009—Embassy Suites, Little Rock, Arkansas

SHCC will participate in the SWAHMA Affordable Housing Conference, presenting an Update on HUD Releases, including Renewals & Rent Adjustments, 4350.3 Change 3, The Final Rule and 4350.1 Chapter 6. SHCC will also present workshops on Basics of SHCC Management Review, EIV, Special Claims, Voucher Processing, the SHCC Call Center, and REAC Inspections. For conference details & registration visit the SWAHMA website.

#### AHMA East Texas

(Affordable Housing Management Association of East Texas)

Visit the AHMA East Texas website at <http://www.ahmaet.org>.

**AHMA Occupancy Training Course III: Part 3 of the AHMA East Texas Occupancy Training Series covering HUD Handbook 4350.3—Thursday, August 20, 2009—Houston, Texas**

**AHMA Fair Housing/Sexual Harassment—Thursday, September 17, 2009—Houston, Texas**

**AHMA Occupancy Training Course IV-Part 4 of the AHMA East Texas Occupancy Training Series covering HUD Handbook 4350.3—Thursday, October 15, 2009—Houston, Texas**

JO20947