

Practical Points

By **PMCS** - Services and Solutions for Properties of All Sizes

January 2013

2013 Income Limits

The 2013 HUD Income Limits were first released on **December 4, 2012** with instructions that they were to be effective for anyone moving in December 4 or later.

On **December 11, 2012** HUD published updated income limits for 2013. The date at the bottom now reads, "Data file last updated Tues., Dec. 11, 2012." The updated Limits were posted because the estimates of median incomes were about 3% too low for most of the country. That threw off the Limits, since they were calculated from those incorrect numbers.

On **December 14, 2012** HUD Policy announced (via RHIP ListServ #292) its clarification on how sites should handle the updated Income Limits:

- If you have not yet implemented the FY2013 income limits (published either on 12/4/12 or 12/11/12) you have 45 days (from 12/11/12) to implement the revised 2013 Income Limits which were published on December 11th. You can get them from: www.huduser.org/portal/datasets/il/il13/index.html
- If you implemented the FY2013 income limits published on 12/4/12, but have not yet implemented the FY2013 income limits published on 12/11/12, you must either:
 - » Implement the 2013 income limits published on 12/11/12 immediately; or
 - » Revert back to the 2012 income limits and implement the 2013 income limits published on 12/11/12 within 45 days of December 11th.

- If you have already implemented the FY2013 income limits published on 12/11/12, continue to use them.
- If you used the 12/4/12 Income Limits, and you determined that an applicant was income-ineligible, you must contact them to have their eligibility re-determined using the FY 2012 Income Limits. This is because they fall within the appeal time frame of 14 days noted in the 4350.3, 4-9.C.2.b.

If you have a Tax Credit or Bond property, these income limits may not apply. Be sure to verify whether your site needs to use these Income Limits or the Multifamily Tax Subsidy Project Income Limits at: www.huduser.org/portal/datasets/mtsp.html

HUD also published the 2013 Income limits for D3 BMIRs, Section 235 and Section 236 properties. Find them at: www.huduser.org/portal/datasets/il/il13/Notice_235-236.pdf

New MOR Form Released

On Friday, November 30, 2012 HUD posted a new, updated Form 9834 (Management Review for Multifamily Housing Projects).

This form is used by HUD/CA staff during MORs (Management and Occupancy Reviews) to determine comments, findings, and MOR scores for sites. The new Form has an expiration date of 2/28/15. There are other changes as well... watch our Blog and/or Practical Points Newsletter for more updated information as we review the new document.

This Issue

- **2013 Income Limits**
- **New MOR Form Released**
- **IE 7 or Higher Must be Used to Access HUD's Secure Systems**
- **Bed Bugs Poster Available**
- **PBCA Update**
- **Grant Opportunity: Housing for Homeless Persons**
- **Some EIV Users Can't Get Identity Verification Reports**
- **Q & A's**

2013 PMCS Phone Classes

At PMCS we offer a variety of 90-minute telephone classes. Think of it as training... right from your desk! Our telephone classes are **detailed, inexpensive and convenient**. A certificate of completion is provided for classes completed. The interactive format allows for great discussion and Q&A. Topics range from HUD basics to the latest updates.

Visit our website, www.pmcs-icap.com, to learn more about our classes and how you can benefit from them.

Contact Us

PMCS

**829 West Genesee Street
Syracuse, New York, 13204**

**Phone: 800-245-PMCS (7627)
or 315-451-2423**

**Email: solutions@pmcs-icap.com
www.pmcs-icap.com**



Services and Solutions for Properties of All Sizes

Bed Bug Posters Available

Bed bug posters have been produced as a joint venture by the Safer Pest Control Project and the Illinois Department of Public Health, with funding from the Environmental Protection Agency (EPA) Region V. They are provided in English and Spanish. These posters and other valuable information can be found at: www.idph.state.il.us/envhealth/pcbedbugs.htm

For posters, click the last link on the right, "Bite Back".



IE 7 or Higher Must be Used to Access HUD's Secure Systems

On **November 28, 2012**, HUD updated its Secure Systems (in WASS). All users should now access it via Internet Explorer Version 7.0 or higher. If you're using an old version of IE (such as 6.0), you may no longer be able to get into the Systems.

Many people can successfully access HUD's Secure Systems using other browsers as well. But if you're having trouble accessing Secure Systems, you can find helpful information here:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/react/react_security

or here:

<http://www.hud.gov/offices/react/products/wass/files/uqr.pdf>

or call the Technical Assistance Center, toll-free at 888-245-4860.

UPDATE: Your 'book marked' link to Secure Systems may not work any more, since HUD changed the link as part of this update. Here's the new link - **be sure to save it in your Bookmarks or Favorites:**

https://hudapps.hud.gov/HUD_Systems/

Q&A

Question:

I have a resident who has to spend less than 6 months in a nursing home. The nursing home gets all of the resident's social security benefit. How do I handle the resident's 50059?

~ Ruby in the Carolinas

Answer:

This is known as a resident being "temporarily absent". The gross SS income still counts on the 50059. However, since all of it is a medical expense (because it's all paid to the nursing home), the rent will decrease substantially. An Interim should be done, effective the 1st of the month after s/he enters the nursing home. The tenant is still responsible for a monthly rent payment, even while staying there. Another IR should be done when the tenant returns, with a 30-day notice of rent increase.

PBCA Update

Award Announcements Delayed until February, 2013

HUD previously announced that the Department had decided to move forward with the 2012 PBCA NOFA, and planned to announce awards on December 14. However, a legal case was filed against the NOFA by Contract Management Services (CMS) and the Bremerton, WA Housing Authority. On December 13, a hearing was held by the U.S. Court of Federal Claims to consider their motion for a temporary restraining order or a preliminary injunction. This put any announcement of PBCA awards on hold while the case is heard by the Court.

CMS/Bremerton argued that the NOFA was not a free and open competition, and that they limited the number of states they bid on, because of the constraints of the NOFA. They are asking for a complete re-bid for the PBCAs in all of the 42 contested states/areas.

The Department of Justice, representing HUD, argued that there was only one NOFA bidder for each of 8 states (AZ, ID, KS, KY, NM, OK, OR and SC), and HUD wants to award those contracts now, even if the rest of the awards have to wait for a court decision.

But Judge Wheeler wants HUD to hold off on all of the awards until each side presents its case - which is expected to take until late February. A decision is expected to be published on February 22, 2013.

Grant Opportunity: Housing for Homeless Persons

Funds for programs for quick re-housing of newly homeless families and individuals are now available through HUD's Continuum of Care opportunity.

Applications are being accepted through January 18, 2013. Non-profits, states and local governments are eligible to apply for the \$1.6 billion pot of funds available. The Continuum of Care program (HUD's largest annual competitive funding opportunity) is designed to promote community-wide commitments to end homelessness by quickly re-housing the homeless through methods that minimize dislocation trauma, use mainstream programs and optimize self-sufficiency.

Download the NOFA (Notice of Funding Availability) from: <https://www.onecpd.info/resources/documents/FY2012CoCProgramNOFA.pdf>

UPDATE: On December 12, 2012, HUD issued a Technical Correction Notice, including a corrected Appendix A. There are no substantive changes, and the deadline remains the same. Find the Notice here: https://www.onecpd.info/onecpd/assets/File/FY2012CoCProgramNOFA_TechnicalCorrection_CorrectedAppendixA.pdf

Be sure to read all guidelines thoroughly, since this is the first time these awards will be made under a new Interim Rule.

Some EIV Users Can't Get Identity Verification Reports

HUD announced, on December 10, 2012, that there are **257 EIV Users who can't get any of the three Identity Verification Reports**. These are the:

- Pending Verification Report (no HUD requirement to use - but your EIV Policies and Procedures may require it)
- Failed EIV Pre-Screening Report (required to be printed monthly for inclusion in your EIV Master File - with notes)
- Failed Verification Report (required to be printed monthly for inclusion in your EIV Master File - with notes)

You are one of the **257 affected** if you do not have a single contract number assigned to your ID. If you can't get these reports use this article, or the 12/10/12 RHIP Listserv Posting #291, to document that you're unable to run them. Contract Administrators have been instructed not to issue MOR Findings for not having these Reports, with such documentation. Keep checking EIV each month... hopefully this issue will be fixed soon.

Q&A

Question:

I have a Section 236 property. Jack moved into a 1-bedroom unit in November, with a Live-In Aide named Willow. He married her in April, but she didn't move in all the way - she only lives there half the time and stays with her daughters the other half of the time, in a house she owns. Willow is also a student at a local university. When should I add her to the 50059? Is her home an asset? Is her college financial aid counted as income? If she sells her home, can her daughters move into the unit too, or do they have to wait for a 2-bedroom to become available?

~ Dave in Michigan

Answer:

HUD regulations require that the subsidized unit be the sole residence of the occupants. Until Willow moves into the unit full-time, she doesn't qualify to be added to Jack's unit, and he would remain the sole resident. During this time, be sure his income includes any amounts for regular bills Willow pays for him. And, be mindful of your House Rules' Guest Policy. Generally, there's a limit on the amount of time a guest can stay in the unit. Once Willow does move in, her assets would include anything in her bank accounts from the sale of the house (unless she disposed of it for \$1000 or more under market value, in which case the house would be an imputed asset). All scholarship income is excluded. Willow's daughters can move in, as long as the unit size is in compliance with local occupancy laws.