



January 2015

BREAKING NEWS

PMCS Launches Webinar Instruction!

The average housing professional incurs \$2,000 in out-of-pocket expenses to attend training sessions each year. With travel, they can lose 3 days from the office for every 1 day of training. Are you looking for a more convenient and cost-effective way to receive training on specific areas of HUD compliance?

For more than 8 years, PMCS has offered hundreds of phone trainings covering over 100 different topics. We have professionally trained thousands of individuals in the affordable housing industry. This year, we are enhancing these training sessions by adding interactive, visual demonstrations to our classroom exercises. Visual learners will benefit from maximum concept retention during these sessions.

Our first two classes offered in a webinar format will be "Resolving EIV Discrepancies" and "Updating Your Affirmative Fair Housing Marketing Plan". Additional phone classes will be enhanced to include webinar interaction throughout the year.

Not a computer person? No worries. Our user-friendly, webinar software, will make it easy for you to join the session. Participants will just need internet access and a phone to participate. Prior to the class, participants will receive written materials that reinforce the key concepts, as well as easy log-in instructions. During the class, participants can ask questions of the instructor, via the phone, while viewing demonstrations on their computer screen. We do the work for you...you just watch and learn!

Our sessions are taught by the industry's best trainers - they will engage you, make you think, and equip you with the compliance knowledge you need to run your property correctly and efficiently. Check out our class descriptions and schedule and discover how our virtual classroom lessons help you not only learn the regulations, but how to apply them appropriately in real life situations.

In This Issue

- PMCS Launches Webinar Instruction!
- HUD Issues Notice 2014-16 Regarding Waiting List Administration
- Use of Marijuana in Multifamily Assisted Properties
- Conversion Deadline for TRACS 202D Remains January 31, 2015



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HUD Issues Notice 2014-16 Regarding Waiting List Administration

On November 28, 2014, HUD published [Housing Notice 2014-16 Waiting List Administration](#) to provide guidance on the administration of waiting lists for Multifamily Housing properties. Topics discussed include: opening the waiting list, placing applicants on the waiting list, and outreach. While no new regulatory requirements are defined in the Notice, it does provide additional options for owners to consider to ensure their application and tenant selection process is accessible and accommodating to those with disabilities.

BREAKING NEWS

Use of Marijuana in Multifamily Assisted Properties

As more and more states are permitting the use of marijuana for medicinal purposes under state law, owners of HUD subsidized properties are asking how these changing state regulations affect their property's rules regarding marijuana.

On December 29, 2014, HUD released a [memo](#) to the industry to provide clarification to these owners. In the memo, HUD reiterated that despite any changes to state laws, use of "medical marijuana" is illegal under federal law. Owners are required to deny admission to any household with a member who the owner determines is, at the time of application for admission, illegally using marijuana. Additionally, Section 577 of the Quality Housing and Work Responsibility Act of 1998 (QHWRA), allows owners to terminate the tenancy or assistance for any in-place household with a member that the owner determines is illegally using a controlled substance such as marijuana.

Conversion Deadline for TRACS 202D Not Extended

The TRACS 202D Working Group participated in a conference call with the HUD TRACS Team on December 17, 2014 to discuss the industry's progress in converting to TRACS 202D. During this call, no extension to the conversion deadline was announced. The deadline to convert to TRACS 202D transmissions remains January 31, 2015.

If you have not already installed your TRACS 202D update from your vendor, make sure you schedule time to do this prior to January 31, 2015. Effective February 1, 2015, all iMAX transmissions of tenant and voucher data to either Contract Administrators or HUD must be TRACS 202D compliant.

During this conference call, the industry's interpretation of the January 31, 2015 conversion deadline was also discussed. Please be advised of the following:

Regardless of the effective date of the certification or voucher you are sending, owners are permitted to send vouchers and tenant certifications in the TRACS 202C format until midnight on January 31, 2015.

Example: If a property has not converted to TRACS 202D by January 30, 2015, the owner is permitted to transmit tenant data in TRACS 202C format on January 31, 2015.

Contract Administrators must continue to accept TRACS 202C files from properties that have not yet converted to TRACS 202D through January 31, 2015. A Contract Administrator can strongly encourage, but cannot require a property to convert to TRACS 202D earlier than the January 31, 2015 deadline established by HUD. That being said, PMCS strongly encourages all owners to not wait until the eleventh hour to install the software update. It is always prudent to allow ample time for any unanticipated installation issues and time to become familiar with the changes made to the software, prior to using the new version.

2015 CLASSES NOW AVAILABLE

Visit our website for a listing of our new [webinars and phone classes](#).

Upcoming Training

Jenny DeSilva, PMCS's Director of Training, will be at PennDel AHMA on January 21, 2015 to provide members with advanced level TRACS 202D Training. [Learn More and Register](#)

January 21, 2015 TRACS 202D Training

Radisson Hotel Valley Forge
1160 First Avenue
King of Prussia, PA 19406

[Website/Directions](#)

8 a.m. - 9 a.m. -
Registration & Continental Breakfast

9 a.m. - 3:30 p.m. - Class

Lunch will be included from noon -
1 p.m.

QUESTION AND ANSWER**Question:**

Homelessness is becoming a real crisis in my community. As a manager of a Section 8 property, can I give preference to homeless applicants? Can they skip other applicants on my waiting list? The average wait on my waiting list is over a year.

~ Tyler in San Francisco

Answer:

Owners are allowed to establish certain owner-adopted preferences. Preferences allow applicants to receive an opportunity for an available unit earlier than those who do not have a preference. They affect the order of applicants on the waiting list. They do not make an otherwise ineligible applicant eligible. Your Tenant Selection Plan must include whether or not there is a preference in the admission of tenants. The plan should also describe the acceptable sources of information to verify the qualification for a preference.

Before you establish a homelessness preference for future applicants, you must obtain HUD approval. Steps you must follow and other important factors to consider when creating a homelessness preference are discussed in Housing Notice H 2013-21 *“Implementation and approval of owner-adopted admissions preferences for individuals or families experiencing homelessness”*. For additional information regarding preferences, please see Section 4-6 of HUD Handbook 4350.3 REV-1 CHG-4.

Question:

I manage a Section 8 property and need to start the eviction process on a household. Is there a certain way I have to notify them?

~ Annie in California

Answer:

Yes. Handbook 4350.3, Change 4 Section 8-13 B2 and 8-13 B3 (a-c) discuss specific steps managers must take to notify a tenant of termination of tenancy.

Eviction notices must be provided in a form accessible to the tenant (*i.e. – in Spanish if the household primarily speaks Spanish and cannot read English and your Language Access Plan states you will provide forms in Spanish*) and include the following items:

- The specific date the tenancy will be terminated.
- The reason for the termination. This must be explained thoroughly to allow the tenant enough information to prepare a defense.
- An explanation that the tenant remaining in the unit on the termination date specified in the notice may result in the owner seeking to enforce the termination in court, at which time the tenant may present a defense.
- An explanation that the tenant has 10 days within which to discuss the termination of tenancy with the owner. The 10 day period begins on the day the notice is deemed effective. The notice is deemed effective once the notice has been both mailed and hand delivered.
- An explanation that persons with disabilities have the right to request reasonable accommodations to participate in the hearing process.
- The notice must be mailed via first class and hand delivered to the tenant.
- When terminating tenancy for nonpayment of rent, the notice must include the dollar amount of the balance due and the date of the computation.
- When terminating tenancy for material noncompliance, the time of service of the termination notice must be in accordance with the lease and state law.
- If you need to discuss the basis for the proposed eviction and subsequent steps you should take, make sure you consult with your property's legal representation. They should be well versed in the state and local tenant landlord regulations in your area.