



Buzz from the Bluegrass

Issue #25

3rd Quarter 2009

CLEM'S CLAUSE



Busy, Busy, Busy!!!! I can't remember a time when there was so much going on with our programs. Hope you all are all standing up well under all of the pressure, paperwork, and deadlines. Since we last sent out our newsletter Kentucky Housing Authorities have been obligating and spending the \$52,042,820 in formula American Recovery and Reinvestment Act (ARRA) Act Capital Fund Formula Grants and applying under the competitive NOFA for additional funds. Good luck to all of you who choose to submit applications. With the emphasis, amount, and complexity on the ARRA funding we continue this month with our "ARRA You Ready" section of the newsletter. We hope you find the information and links useful.

Voucher agencies did you think HUD forgot about you? Well recent events have brought the voucher program back into the spotlight. Many of you are facing challenges with funding as you deal with increased utility costs, decreased family contribution (TTP), and a portion of your renewal funding coming from your Net Restricted Assets (NRA). Add to this the issues being raised regarding voucher unit quality and compliance with HQS and you can see a challenging time ahead with the voucher program. We encourage all program administrators to be proactive with both funding and HQS issues. We are working with KHA to have a session on HQS before September 30th and are available to work with individual agencies on funding issues. If we can assist please let us know.

Let's discuss something noteworthy. Each quarter we report to HUD Headquarters on a variety of issues. One area involves the percentage of Kentucky housing authorities that utilize the electronic system in PASS for certifying within 3 business days that their EH&S violations have been abated/corrected. We have been able to report 100% compliance for the entire fiscal year. That's fantastic – Keep up the good work in this area.

As we move into the second half of 2009 remember that we are here to work with you and be a good partner. Please feel free to contact Marcia or me if you have any questions or areas where we can provide you with assistance, don

MARK YOUR CALENDARS!!!!

Annual FSS Coordinator Conference

August 19-21

Holiday Inn University Plaza
(Convention Center)
Bowling Green

Annual Conference

September 20-23, 2009

Northern Kentucky Convention
Center
Covington

Inside the Buzz...

Regulatory Notices	2
ARRA You Ready	4
Gentle Reminders	5
Annual FSS Coordinator Conference	6
Rental Assistance for Homeless Veterans	6
Yours in Greening	6
Quarterly News Regarding PASS Inspections	8
PHAS: The Continuing Transition	9
Reminder for Non-qualified PHAs	9
Special Thanks	10

REGULATORY NOTICE UPDATES

These are all of the PIH Notices, Federal Registers, and Code of Federal Regulations that have been published since the last edition of this newsletter. Should you require more information or have additional questions about any listed, please contact our office. All these publications can be found at <http://www.hud.gov/offices/adm/hudclips/index.cfm>.

Please note that on a regular basis, you will receive notice via email from our office when a notice is issued that we feel you should be made aware of immediately. We hope this information is helpful.

PIH NOTICES: web site <http://www.hud.gov/offices/pih/publications/notices>

2009 Notices

Notice	Issued/Expires	Purpose
PIH 2009-19 (HA)	Issued: June 30, 2009 Expires: June 30, 2010	This Notice extends Notice PIH 2008-26 (HA) , same subject, which expires on June 30, 2009; for another year until June 30, 2010. Notice 2008-26 clarifies the exclusion of temporary employment payments by the U.S Census Bureau pursuant to 24 CFR 5.609(c)(9).
PIH 2009-18 (HA)	Issued: June 22, 2009 Expires: June 30, 2010	This notice provides clarification on the applicability of State and local laws in the Housing Choice Voucher (HCV) Program regarding termination of tenancies by the owner for other good cause at 24 CFR 982.310.
PIH 2009-17 (FR)	[Docket Number FR-5335-N-01] Dated: June 18, 2009	Through this notice, HUD seeks to ensure that individuals or entities that participate in HUD programs or with whom HUD interacts through its programs are aware of obligations imposed on immediate successors of interest in any residential property pursuant to a foreclosure to provide tenants residing in such property, including but not limited to tenants with section 8 rental assistance, with at least 90 days advance notice of the need to vacate the property, where the successor desires to have the tenants vacate. In addition, except for purchasers who will occupy [...]
PIH 2009-16 (HA)	Issued: June 12, 2009 Expires: June 30, 2010	This Notice serves to reinstate and update the content of PIH Notice 2008-22 and provide supplementary guidance regarding retained surcharge savings, approval processing for terms up to 20 years, and the applicability of small purchase procedures for Energy Performance Contracts (EPCs).
PIH 2009-15 (HA)	Issued: May 18, 2009 Expires: May 31, 2010	The purpose of this Notice is to inform public housing agencies (PHAs) and Tribally Designated Housing Entities (TDHEs) about Integrated Pest Management (IPM). Reference materials on IPM are located at paragraph seven of the referenced notice. PHAs provide decent, safe, sanitary and affordable housing to more than one million families. Pest problems routinely rate as one of the top concerns by residents.
PIH 2009-14 (TDHEs)	Issued: May 18, 2009 Expires: May 31, 2010	The purpose of the Notice is to implement a Micro Purchase threshold for the IHBG program.
PIH 2009-13 (HA)	Issued: May 6, 2009 Expires: May 31, 2010	This Notice implements the Housing Choice Voucher (HCV) program funding provisions resulting from enactment of the "Omnibus Appropriations Act, 2009" (Public Law 111-8), referred to hereinafter as "the 2009 Act," enacted on March 11, 2009. The 2009 Act establishes the allocation methodology for calculating housing assistance payments (HAP) renewal funds, new incremental vouchers and administrative fees.

FEDERAL REGISTERS: web site <http://www.hud.gov/offices/adm/hudclips/fr/>

DOCN	Date	Title
FR-5281-N-52	20090701	<u>Section 8 Contract Renewal Policy- Guidance for the Renewal of Project-Based Section 8 Contracts</u>
FR-5281-N-51	20090630	<u>Housing Choice Voucher Program</u>
FR-5311-N-03	20090630	<u>Buy American Exception Under the American Recovery and Reinvestment Act of 2009</u>
FR-5311-N-03	20090625	<u>Notice of Availability: Notice of Funding Availability (NOFA) for American Recovery and Reinvestment Act Capital Fund Recovery Competition Grants; Correction to Deadline in June 9, 2009 Federal Register Notice</u>
FR-5335-N-01	20090624	<u>Protecting Tenants at Foreclosure: Notice of Responsibilities Placed on Immediate Successors in Interest Pursuant to Foreclosure of Residential Property</u>
FR-5300-N-09	20090622	<u>Notice of Availability: Notice of Funding Availability (NOFA) for HUD's Fiscal Year (FY) 2009 Public and Indian Housing Family Self-Sufficiency Program under the Resident Opportunity and Self-Sufficiency (ROSS) Program</u>
FR-5332-N-01	20090622	<u>Proposed Notice of Funding Availability (NOFA) for HUD's Fiscal Year (FY) 2009 Rental Assistance for Non-Elderly Persons With Disabilities; Request for Comments</u>
FR-5262-FA-01	20090616	<u>Announcement of Funding Awards for the Emergency Capital Repair Grant Program Fiscal Year 2009</u>
FR-5311-N-02	20090609	<u>Notice of Availability: Notice of Funding Availability (NOFA) for American Recovery and Reinvestment Act Capital Fund Recovery Competition Grants; Corrections, Changes, and Clarifications</u>
FR-5300-N-06A	20090609	<u>Notice of Availability: Notice of Funding Availability (NOFA) for Fiscal Year (FY) 2009 Lead-Based Paint Hazard Control Grant Program and Lead Hazard Reduction Demonstration Grant Program; Technical Correction</u>
FR-5281-N-48	20090604	<u>Request for Acceptance of Changes in Approved Drawings and Specifications</u>
FR-5281-N-44	20090529	<u>Screening and Eviction for Drug Abuse and Other Criminal Activity</u>
FR-5281-N-43	20090529	<u>Indian Housing Block Grant Information Collection</u>
FR-5281-N-42	20090529	<u>Public Housing Agency (PHA) Lease and Grievance Requirements</u>
FR-5281-N-41	20090529	<u>Requirements for Lead-Based Paint Hazards in Federally Owned Residential Properties and Housing Receiving Federal Assistance</u>
FR-5281-N-37	20090522	<u>Notice of Submission of Proposed Information Collection to OMB; Emergency Comment Request; HUD NEPA ARRA Section 1609(c) Reporting</u>
FR-5300-N-06	20090522	<u>Notice of Availability: Notice of Funding Availability (NOFA) for Fiscal Year (FY) 2009 Lead-Based Paint Hazard Control Grant Program and Lead Hazard Reduction Demonstration Grant Program</u>
FR-5281-N-36	20090520	<u>Disaster Housing Assistance Program- Ike (DHAP-Ike Grant Agreement)</u>
FR-5281-N-35	20090519	<u>Supplement to Application for Federally Assisted Housing</u>
FR-5200-FA-14	20090513	<u>Announcement of Funding Awards for the Resident Opportunities and Self-Sufficiency (ROSS) Service Coordinators Program for Fiscal Year 2008</u>
FR-5311-N-01	20090512	<u>Notice of Availability: Notice of Funding Availability (NOFA) for American Recovery and Reinvestment Act Capital Fund Recovery Competition Grants</u>
FR-5306-FA-01	20090507	<u>Announcement of Funding Awards for Fiscal Year 2008 for the Housing Choice Voucher Program</u>
FR-5308-N-01	20090507	<u>Notice of Availability: Implementation of the Tax Credit Assistance Program (TCAP)</u>
FR-5285-N-16	20090504	<u>Notice of Proposed Information Collection: Comment Request; Budget-Based Rent Increases</u>
FR-5281-N-27	20090410	<u>Notice of Proposed Information Collection: Comment Request e-Logic Model™ Grant Performance Report Standard</u>
FR-5288-N-03	20090410	<u>Notice of Proposed Information Collection for Public Comment for the Housing Choice Voucher Program: Application, Allowances for Tenant-Furnished Utilities, Inspections, Financial Reports, Request for Tenancy Approval, Housing Voucher, Portability Information, Housing Assistance</u>

		<u>Payments Contracts and Tenancy Addenda, Homeownership Obligations, Tenant Information for Owner, Voucher Transfers, Homeownership Contracts of Sale, Information for Additional Renewal Funding, and the Project-Based Voucher Program</u>
FR-5223-N-04	20090410	<u>Final Fair Market Rents for the Housing Choice Voucher Program and Moderate Rehabilitation Single Room Occupancy Program for Fiscal Year 2009; Revised</u>

CODE OF FEDERAL REGULATIONS: <http://www.hud.gov/offices/pih/regs/index.cfm>

There is also a wealth of knowledge that is accessible by calling the local HUD Office. We are here to work with you and for you. Other additional important numbers are:

FHA Resource Center (Single Family)	800-225-5342	Ext. 332 for homebuyer packet
Handbooks, Notices & Forms	800-767-7468	www.hudclips.org
Housing Counseling Agencies (HUD-app)	800-569-4287	Enter zip for nearest agency
HUD Homes for Sale (Pyramid Real Estate)	877-451-4680	www.hud.gov/homes
Legal Aid Network of Kentucky	866-452-9243	www.kyjustice.org

ARRA YOU READY

(American Recovery & Reinvestment Act of 2009)



A link to the Office of Capital Improvements (OCI) Recovery Act website is shown below. All information that OCI has sent out, including all emails sent to the PHAs and FAQs once they are posted are/will be available at this site. We encourage all PHA staff working with the ARRA capital funds to visit the site often.

<http://www.hud.gov/offices/pih/programs/ph/capfund/ocir.cfm>

At this time HUD has still not issued any guidance on Physical Needs Assessments (PNAs). The instruction that we are still receiving are that PHAs are not to contract for a PNA until guidance is provided. Therefore PHAs are advised not to contract with a firm to conduct a PNA until HUD has issued guidance on this requirement.

We recognize that many PHAs are struggling with many provisions of the Act. Certainly one area involves the Buy American provision. While the Q & A provided at the link above does provide some guidance in this area, be advised that HUD is working on issuing additional guidance on the Buy American provision. In the interim, please refer to OMB Interim Final Guidance “Requirements for Implementing Sections 1512, 1605, and 1606 of the American Recovery and Reinvestment Act of 2009 for Financial Assistance Awards published on April 23, 2009. The link is provided below.

http://www.whitehouse.gov/omb/assets/fedreg_2009/042309_recovery.pdf

Remember that all ARRA funds must be obligated within one year of the date on which funds became available. This means the complete obligation date is March 17, 2010.

From the ARRA Capital Fund Grant Competition front, we encourage those PHAs still working on applications to submit as early as possible. A few of our PHAs have encountered technical difficulties while submitting their applications that have taken a day or so to work out and a few extraordinary measures. The types of technical difficulties encountered could not have been

foreseen, so please leave enough time for these unanticipated issues. If you do have submission issues, please send Carol Spencer a detailed email and she will forward to HQ on your behalf. HQ has been very responsive directly back to the PHA.

GENTLE REMINDERS

GENTLE REMINDERS

DAIVS-BACON WAGE RATES - A recent review of a Kentucky PHA by the Atlanta DHUD Office of Labor Relations resulted in a concern over the source of Davis-Bacon wage rates that should be used by PHAs. The official Department of Labor website is www.wdol.gov. There is a Government Printing Office (GPO) website that contains these rates also, but the use of the Department of Labor's website will ensure that you are using the most current information needed in the operation your agencies. (Submitted by Mr. Vern Estey)

HANDLING AND DESTROYING SENSITIVE INFORMATION - We all know about handling and destroying sensitive information, since not only do we handle sensitive information in our offices but our own personal information, but this is what can happen if we are not diligent in protecting sensitive information. (Submitted by Mr. Vern Estey)

Residents Shocked After Personal Documents Exposed. "On its website, WVEC-TV Hampton Roads (VA) (6/24, Roberts) reported that residents of a Norfolk housing project "expressed shock and outrage that documents containing their Social Security numbers and salary information were found lying in a field". The documents "were from the Norfolk Redevelopment and Housing Authority, and a city spokesman says they were disposed of improperly". Ed Ware of NHRA said he "believes the problem is an isolated incident". Ware "says the incident involved an employee who put the documents in a trash bag and just threw them away instead of shredding them". ... 13News has learned that disciplinary action is pending against the employee responsible."

FAMILY ANNUAL INCOME - Remember that wages are not exempt from being part of the tenant's annual income. Nor is this is this income exclude under another federal provision as published by HUD in any Federal Register notices. (Submitted by Ms. Barbara Finch)

A rule of thumb: All income is counted unless specifically excluded under 24 CFR 5.609(c) or published in the Federal Register by HUD.

Latest regulations concerning tenants' income.

Federal Register/Vol. 74, No. 16 - 24 CFR Parts 5, 92, and 908 - Refinement of Income & Rent Determination Requirements in Public & Assisted Housing Programs; Final Rule (January 27, 2009).



Federal Register-Vol
74, No 16 - 24 CFR P.

24 CFR Subtitle A Subpart F - Section 8 and Public Housing, and Other HUD Assisted Housing Serving Persons with Disabilities: Family Income and Family Payment, Occupancy Requirements for Section 8 Project-Based Assistance (April 1, 2009).



24 CFR Subtitle
A.pdf



ANNUAL FAMILY SELF-SUFFICIENCY (FSS) COORDINATOR CONFERENCE

DON'T FORGET: August 19 - 21, 2009

Scheduled for the afternoon of Wednesday, August 19, 2009, through the morning hours of Friday, August 21, 2009, to be held at the Holiday Inn University Plaza (Convention Center), Bowling Green, Kentucky.

Topics included at the conference are: Acquiring and Maintaining Agency and Program Success, Supporting Clients and Participants, Relieving Stress through Support and Success.

I'll see you there.
- Anne M. Roark

RENTAL ASSISTANCE FOR HOMELESS VETERANS

Submitted by Ms. Mary Beatty

There maybe an additional source for assisting Kentucky's homeless veterans in finding safe and affordable housing. According to an article titled "Special Subsidy Vouchers Available for Area Homeless Veterans" in *The Cabell Standard*, a West Virginia newspaper, The Huntington Housing Authority has special Section 8 subsidy vouchers to assist homeless veterans in Ohio, Kentucky, and West Virginia. With these special vouchers it is hoped that with permanent housing veterans can start the healing process and once again become viable members of their communities. An interesting aspect of these vouchers is that vets **do not** have to leave his/her chosen home area. The importance of this aspect is that vets and their families can stay in the local area to continue receiving localized care and support.

Those veterans and/or agencies interested in this program please contact the Huntington Housing Authority at 304-526-4400 or <http://www.huntingtonhousing.com/>.

YOURS IN GREENING

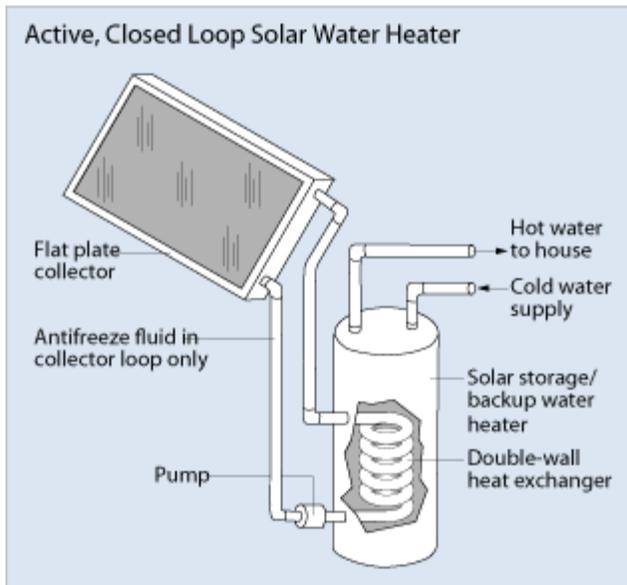
Submitted by Ms. Mary Mayrose "Louisville HUD Office Tree Hugger"

We have designed this column around our effort to continue to share ideas, helpful hints and breakthrough suggestions on greening and lessening your public housing's carbon foot-print. Each quarter we will share green suggestions with you and from the marketplace and research that I'm finding that may be helpful to you and your staff. If you are interested in using this or some other "green" technology on a small number of apartments as a demonstration and then sharing the results and lessons learned with other housing providers in Kentucky, please contact me. We are looking to establish some demonstration sites that



will hopefully provide guidance to all Kentucky housing providers on green technology that provides the biggest bang for the buck.

This quarter's column is on Solar Power water heaters. Solar Power water heaters are a good alternative for PHAs to consider when water heater replacement is necessary. A typical water heater uses electricity to heat the water to a temperature set on the water heater, typically around 120 degrees F. Solar Powered Photo Voltaic is an alternative means of using solar to heat the water w/in the tank. Photo Voltaic is a type of battery that uses the solar power from solar panels to produce power to heat the water. A typical PV installation would have one or two solar panels mounted on the roof, on the south side collecting solar energy. The energy is then transferred to the PV system and converted into energy that powers the battery. The tank uses the energy to heat the water when hot water is needed in the unit. See the diagram below for an example of how the system works.



According to the Environmental and Energy Study Institute (EESI), there are 1.5 million solar water heaters already in use in U.S. homes and businesses.

According to the EESI, residential solar water heater systems cost between \$1,500 and \$3,500, compared to \$150 to \$450 for electric and gas heaters. With savings in electricity or natural gas, solar water heaters pay for themselves within four to eight years. And solar water heaters last between 15 and 40 years--the same as conventional systems--so after that initial payback period is up, zero energy cost essentially means having free hot water for years to come.

According to the U.S. Department of Energy's website, zoning and building codes relating to the installation of solar water heaters usually reside at the local level, so consumers should be sure to research the standards for their own communities and hire a certified installer familiar with local requirements.

It's also important that like any other building system, your maintenance crew become completely trained in the preventative maintenance of solar water heaters.

See the link below for additional information on solar water heaters and feel free to call this office if you have additional questions or need additional information.

http://www.energysavers.gov/your_home/water_heating/index.cfm/mytopic=12850

Quarterly News Regarding Recent PASS Inspections

Submitted by Ms. Mary Mayrose

This column is to notify you of recent trends in PASS inspections and information from past REAC inspections that will be helpful to you.



The following notes on Certificates were taken from the REAC web site:

Boilers: A required boiler certificate may be issued by a city or state government agency, insurance company or any other entity that has jurisdiction and/or authority to issue such a certification. During the inspection, the inspector must record “NO” until the certificate is presented. For example, if the inspector requests the certificate when in the property representative’s office but the certificate is in the boiler room, the inspector records “NO” until the boiler room is inspected and the inspector reviews the certificate. At which time they should adjust their response accordingly.

Lead Base Paint (LBP) Disclosure Form and Inspection Report: Inspectors are required to request the LBP disclosure form and inspection report from the property representative for all properties, regardless of the type of resident population, for buildings constructed prior to 1978. A comment must be provided in the property Information Comments field regarding resident population for elderly only. For the purpose of determining whether the LBP disclosure form and inspection report is applicable, the inspector must use the building construction year not the date of “complete rehab” or other renovations. The inspector must randomly select five resident files to determine whether the required LBP disclosure form has been provided to and signed by the residents. All five files must contain evidence or the inspector must record “NO.”

Also from the REAC web site, this note to Inspectors:

REAC Inspectors Alert:

It has recently come to our attention at the REAC that we have inspectors recording a defect for an electrical hazard solely because the disconnect/timer/panel is not secured.

The intent of this defect is not to penalize the property for unsecured electrical devices, but rather to record the findings that present an electrical hazard when left unsecured.

The definition states the following: ***“A cover is missing, which results in exposed visible electrical connections.”***

If the electrical device is found to be unsecured, which requires inspection, a defect will be recorded only when bare electrical wiring or bare electrical connections exist.

If it has been your practice to record a defect solely because an electrical disconnect/timer/panel is unsecured you must cease this practice immediately.

Please contact our **Technical Assistance Center at 888-245-4860** if you have any additional questions or require further clarification.

If you have information or shared knowledge of previous inspections you would like to share with other KY PHAs, please email Frank McNeil (frank.h.mcneil@hud.gov) or Mary Mayrose (mary.e.mayrose@hud.gov)

PHAS: The Continuing Transition

Submitted by Ms. Carol Spencer

On August 21, 2008, HUD published a proposed PHAS rule and transition year information that had tremendous impact on all PHAs and HCV agencies. By now you've realized the following major changes:

1. The Management Operations Certification (MASS) is no longer required to be self-certified and submitted by PHAs starting with assessment year 6/30/08. MASS is proposed to be replaced with an asset management review. Many of you have received a visit from us previewing what these reviews might entail.
2. The Resident Survey (RASS) is no longer conducted starting with assessment year 6/30/08.
3. Your physical inspections (PASS) are being conducted based on your project (also known as AMP) configurations instead of your old development configurations.
4. Your unaudited and audited financial (FASS) information is now being submitted on newly revised forms to support asset management. Deadlines have been extended and all the submission kinks have not been worked out yet.
5. PHAs have not been issued a PHAS score during the transition year. Only a numerical score has been issued on the PASS inspection.

It was anticipated that a final rule would be published sometime during the transition year and PHAs would be assessed under the new rule shortly thereafter. However, we've reached the end of the transition year without the passage of a final rule. It is anticipated that we will continue with a second transition year.

The changes proposed to PHAS require a large amount of revision to the electronic systems that support PHAS. However, it wouldn't be prudent to revise the systems until the rule has been finalized. In the meantime, there is information still contained in the electronic systems that could appear to be incorrect. For instance, certain screens still carry old submission deadlines for MASS and RASS even though the transition notice no longer requires them. Please disregard those screens. If in doubt about a deadline, you can always contact me at 502-618-8152 or email me at Carol.C.Spencer@hud.gov.

REMINDER

Submitted by Ms. Carol Spencer

Non-qualified PHAs with FYs beginning 10/1/2009 have Annual PHA Plans due to our office by **July 16, 2009**. Non-qualified PHAs are defined as meeting the following requirements: (1) the sum of public housing dwelling units and HCV units is over 550, or (2) the agency is designated as a troubled PHA under PHAS or has a failing score under SEMAP. Remember that the new template, certifications, and CFP forms should be used and can be found on the PHA Plan website at:

<http://www.hud.gov/offices/pih/pha/index.cfm>



If you have any questions, please call Carol Spencer, PHA Plans Coordinator, at 502-618-8152 or email her at Carol.C.Spencer@hud.gov.



A special thanks to Ms. Deborah Knight, from the Field Office front office, who unwittingly gave Ms. Mary Beatty the idea for the article on homeless veterans' assistance.

Until Next Quarter.....