WHAT’S NEW?

Overview

This document provides information on the issues included in iREMS release 1.6.3.5.

The What’s New addresses new issues identified by users or the iREMS development team. These items may include functionality or feature changes. There are also explanations for modifications or improvements instituted to maintain system performance.

The Policy/Regulations section addresses any business rule highlights, announcements, or changes that are necessary to maintain accurate property portfolios.
ASSET MANAGEMENT

Financing

➤ Financing Detail

New Green Retrofit loans and grants are being added to iREMS from PAS each night. They have either ‘GG’ (Green Grant) or ‘GL’ (Green Loan) in the FHA number. These are loans and grants that are associated with energy savings (Green Retrofit) initiatives. The Green Retrofit loans and grants do not go through DAP. Therefore, the M2M Final Closing Date has been added (view only format) within both the “From PAS” and “From NLS” screens within Financing Detail.

The reason that the user needs the M2M Final Closing Date is because, if an FHA insured property prepaid their loan, the HAP contract would have no financial statement filing requirements. But if the owner applies for a Green Loan/Grant, then they need to begin filing financial statements again, and the M2M Final Closing Date becomes the FASS reporting date for the owner.

Servicing

➤ Use Restriction

A user can save a Use Restriction in two ways: without a Date Owner Submitted Certification Compliance or with a Date Owner Submitted Certification Compliance. The user can now delete the record that has Date Owner Submitted Certification Compliance. The record will be deleted and the “Save Successful” message will display.

Servicing

➤ Use Restriction List
➤ IRP List
➤ Other Public Subsidies List

The calendar icon for all date fields in iREMS was allowing users to select back dates from 1967 and/or future dates through the year 2049. In some instances the date range was not adequate for the particular date field.
A change has been made to increase the future date range to accommodate new contracts and/or programs that extend beyond 20 plus years in the future. As housing moves forward, the future date range of 2049 in contract date fields was not adequate. The update has changed the calendar icon drop down from 1967 through 2049 to 1980 through 2079. The new solution will keep date fields as they are for the date fields satisfied with the current date range and increase the future date range for the date fields requiring 20 plus years in the future. Only date fields requiring the extended dates will be changed. iREMS will still accept manually entered dates.

This date range affects mostly date fields in the Subsidy Administration section.

The Asset Management section, within the Servicing module will display the date’s changes on the following screens:

- Use Restriction/Lock-out Detail
- IRP Detail
- Other Public Subsidies Detail
IRP List / IRP Detail

Other Public Subsidies List / Other Public Subsidies Detail
Subsidy Administration

Contract Processing

➢ Function Contract Selection

A change has been made to increase the future date range to accommodate new contracts and/or programs that extend beyond 20 plus years in the future. The update has changed the calendar icon drop down from 1967 through 2049 to 1980 through 2079. Only date fields requiring the extended dates will be changed. iREMS will still accept manually entered dates.

The Asset Management section, within the Servicing module displays three of these date modifications.

The date range affects mostly date fields in the Subsidy Administration section. All dates in the Function Detail tab have been modified.
Function/Contract Selection

Function Detail

Previously, Option ‘3b: Request Referral to OAHP for Restructure of Mortgage and Reduction of Contract Rents’ was listed as a Contract Action Selection. This indicated a referral to OAHP and was not a renewal of the contract. This referral did not do or allow for OCAF increase because it was just a referral. The original 3b referrals to OAHP contracts were either for 5 years, or if for 20 years they expired prior to the expiration of the use agreement. Once expired, the Field Offices had to enter the renewal in as an option 2 because the renewal requires OCAF rent increase and the previous 3b referral to OAHP did not have an OCAF screen.

The Contract Processing functionality, now displays a new 3b renewal type: ‘3b: Request Renewal of Full Mark to Market Contract’ in the Contract Action Selection list for a renewal function along with the ‘3b: Request Referral to OAHP for Restructure of Mortgages and Reduction of Contract Rents’. This new renewal will have an OCAF calculations screen.

This Contract Action Selection will eliminate the practice of creating a renewal under option 2 for these contracts, which was an inaccurate, and eliminate confusion.

The new renewal name will display in the Function/Contract Selection screen under the “Contract Action Selection” drop down. If a user selects ‘MARHA Renewal or Short Term Renewal’ in the Contract Function Selection drop down, then in the Contract Action Selection drop down will display:

1a: Mark-Up-To Eligibility  
1b: Discretionary Authority Eligibility Mark-Up-To-Market  
2: Request Renewal Without Restructuring at or Below Comparable Rents  
3a: Request Referral to OAHP for Reduction of Contract Rents to Comparable Market Rents (a referral)  
3b: Request Referral to OAHP for Restructure of Mortgage and Reduction of Contract Rents (a referral)  
3b: Request Renewal of Full Market to Market Contract  
4: Request Renewal for Projects Exempt from OAHP  
5a: Request Contract Renewal for a Portfolio Re-engineering Demonstration Project  
5b: Request Contract Renewal for a Preservation Project
All of these options are renewals except 3a and the first 3b...they are referrals.

In addition, the title will be changed for the 3b Amend Rents to match the new 3b: Request Renewal of Full Mark To Market Contract. The amend rents will be applicable in the multi-term years for the both the ‘3b: Request Referral to OAHP for Restructure of Mortgage and Reduction of Contract Rents’ and ‘3b: Request Renewal of Full Mark to Market Contract’. There will no longer be amend rents called ‘3b: Request Referral to OAHP for Restructure of Mortgage and Reduction of Contract Rents’.

If a user selects ‘MARHA Amend Rent Increases’ in the Contract Function Selection drop down then the Contract Action Selection drop down will display:

1a: Mark-Up-To Eligibility
1b: Discretionary Authority Eligibility Mark-Up-To-Market
2: Request Renewal without Restructuring at or Below Comparable Rents
3a: Request Referral to OAHP for Reduction of Contract Rents to Comparable Market Rents  (a referral)
3b: Request Renewal of Full Market to Market Contract
4: Request Renewal for Projects Exempt from OAHP
5a: Request Contract Renewal for a Portfolio Re-engineering Demonstration Project
5b: Request Contract Renewal for a Preservation Project
All of these options are renewals except 3a …it is a referral.

The new ‘3b: Request Renewal of Full Mark to Market Contract’ renewal Function Detail screens will contain the following tabs:

- Dates and Comments
- OCAF
- Rents
- Final Review

**Dates and Comments** – This screen is identical to the Option 2 Dates and Comments screen except it does not contain the “Exception Project Exempt from OAHP” drop down.

In addition, new fields were added. The use restriction/agreement effective and expiration dates are pulled from the use restriction for that property ID where reason for restriction is ‘OMHAR Property’ or ‘Modified OMHAR Property’. If more than one use restriction with ‘OMHAR Property’ or ‘Modified OMHAR Property’ exists then we pull the effective and expiration dates for the max sequence number. The use restriction effective and expiration dates are view only. If there is no use restriction with reasons of ‘OMHAR Property’ or ‘Modified OMHAR Property’ then the Use Restriction Effective and Use Restriction Expiration Date will be blank. Upon the initial save or initial navigating off the Dates and Comments tab, a warning message will be issued that ‘An applicable OMHAR/OAHP use restriction/agreement is required to renew under Option'
3b – Request Renewal of Full Mark to Market Contract. Please enter the use restriction/agreement prior to entering the renewal. If the new 3b renewal expiration date is greater than the use restriction expiration date the system issues a warning message “Renewal of Full Mark to Market Contract expiration exceeds the use restriction expiration”. These warning messages are only for a user who has update access and not a view only user. In addition, these warning messages are only issued if the renewal is not locked.

**Function Type: Renewal**

**Function Type: Amend Rents**

**OCAF** – This new renewal has an OCAF calculations screen. This screen/tab will be similar to the Option 2 OCAF screen except it does not contain the “Annual Comparable (Owner’s) Rent Potential for Units Included in the Current Process” field. In addition, the “Lesser of OCAF or Correlated Comparable Rent Potential” field has been taken out and the “Rent Increase Factor” field does not include the lesser of test words and will
always be based on the OCAF amount. (Note: this is how the auto OCAF pilot option 3 amend rents OCAF screen now looks).

| Rents | This screen is similar to the Option 2 Rents screen except it does not contain the “Comparable Rent” or “Budget Base Rent” columns. In addition, the Rents screen does not include any of the 4 OAHP Dates and drop down boxes. The ‘HUD Approved Rent’ drop down is limited to ‘Current’ and ‘OCAF’ where the renewal option code equals the new option code for the 3b: “Request Renewal of Full Mark to Market Contract”.

| Rent Detail | This screen is similar to the Option 2 Rent Detail screen except the ‘Budget Base Rent’, ‘Budget Base Utility Allowance’, and ‘Comparable Rent’ columns are not displayed. |
**Final Review** – This screen has all the detail data listed above as the other renewals currently do.
This modification will benefit Multifamily Housing (MFH) by providing the correct renewal option for a Full Mark To Market Contract that needs to be renewed with OCAF.
Reports

Microstrategy

- iREMS to upgrade to Microstrategy Version 9

The iREMS standard reporting software, MicroStrategy, has been upgraded to version 9. This change also opens up reports to the PBCAs. PBCAs will only see one folder, “PBCA Reports”, with 3 reports.
Database Changes

Financing

- **MPRD active_financing and active_property**

The Green Retrofit “GG” (Green Grants) and “GL” (Green Loans) financing types are new, they will be identified in the MPRD active_financing and active_property tables as being in the category of “Green Retrofit”. A new field is being added to the active_financing and active_property table to identify these and mark them as is_green_retrofit = ‘Y’. This logic is associated each night when the MPRD tables are created by the Nightly Batch process.

Risk Management

- **MPRD active_property**

Within the MPRD, the logic for selecting the current *Troubled Status* is now based on the record with the latest *status_update_date*. If there is more than one record with the same *status_update_date*, we choose the record with the highest hourly time of day. This resolves an issue that allows the system to correctly identify the current status when a previous status is corrected to a later date.
Auto OCAF

The Auto OCAF changes only applies to contracts/properties in the Auto OCAF Pilot Program.

- **Function Detail**
  
  (Auto OCAF Letter)

  The *Auto OCAF* Letters (Part A and Part B) no longer has the following *rent increase* option:

  “I do not elect to receive a rent increase for the upcoming contract year. Renew current rents.”

  In addition, these letters have been modified to add the paragraphs pertaining to the Public Reporting Burden and Privacy Act Information, OMB numbers and expiration dates.

  *NOTE:* These letters are still under review and may contain additional changes in the *iREMS February 6, 2012 release.*
Sample letter for options 1 and 3 below:

U.S. Department of Housing and Urban Development
San Francisco Multifamily Hub
600 Harrison Street, 3rd Floor
San Francisco, CA 94107-1387

RIDGEVIEW TERRACE AFFORDABLE HOUSING 08/15/2011
INC.
140 CASHMERE ST
SAN FRANCISCO, CA 94124-2422

Subject: Automatic OCAF Rent Increase
RIDGEVIEW TERRACE
CA39M000244/12144024
Rent Comparability Study Expires: 01/30/2012

Dear Owner/Management:

RIDGEVIEW TERRACE is a multi-year Housing Assistance Payments Contract and, as such, is eligible for an automatic rent increase to become effective 01/01/2011. The rent increase factor is 1.025. The debt service amount used in the calculation of new rents is $833,464.33.

Should you elect this rent increase, the new rents for RIDGEVIEW TERRACE will be as indicated on the attached Exhibit A. Complete, execute, and return these (3) forms HUD-92438 Rent Schedule Low Rent Housing to your HUD/PBCA within 10 days of receipt of this package.

Indicate below which rent increase option is to be applied in the upcoming year. Complete the Project Information section that follows, and return this Notice and any attachments to your HUD/PBCA within 10 of receipt of this package.

☐ I elect to receive the attached automatic rent increase.

☐ I elect to receive the attached automatic rent increase, and am submitting a Utility Analysis and recommendation for a change to the Utility Allowances. Supporting documentation is enclosed.

☐ Other: ____________________________________________

Attached:

[Form HUD-92438 (10/2009)]

[Utility Analysis OCAF Part A]
I (We) hereby certify that the debt service amount of $833,464.33 and the non-section 8 rent potential amount of $21,108.00 are true, accurate and complete to the best of my (our) knowledge and belief.

Project Name: ____________________________
Owner Name: ____________________________
Owner Signature: _________________________ Date: ______________

Should you have any questions, please contact our office.

Sincerely,

GARY WLEE
Backup Project Manager

OMB Control #2500-0087
Exp. (10/31/2012)

Public reporting burden for this collection of information is estimated to average 1 hour. This includes the time for collecting, reviewing, and reporting the data. The information is being collected for purposes of determining rent adjustments and will be used for estimating new rents. Responses to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number. No confidentiality is assured.

Privacy Act Notice: The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to collect the information requested in the form by virtue of Title 12, United States Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. While no assurance of confidentiality is pledged to respondents, HUD generally discloses data only in response to a Freedom of Information Act request.
Auto OCAF

- Auto OCAF batch job

1- The auto OCAF batch was adjusting comps with an OCAF rate for both 2010 and 2011. The code was corrected to use the OCAF rate that falls within the amendment effective date eliminates errors and confusion caused by using two different rates.

2- The auto OCAF batch job was adjusting a comp that was expiring two weeks after a contract expires and that was incorrect. The intent was if the comp is 5 years old or older when the contract expires then a new comp is needed.

The code in the auto OCAF batch job has been fixed so that it stops adjusting a comp that is expiring during the same month that the contract expires.

These corrections will benefit Multi-Family Housing (MFH by correcting three current issues affecting the auto OCAF process. Determining if an auto OCAF screen has been created and following the appropriate rules will assist users in entering only necessary data.