To: All Owners and Managers
From: Bob Conroy, Director of Asset Management

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I. Automatic OCAF Rent Increase

The Department of Housing and Urban Development (HUD) has streamlined the Amend Rents process for multi-year contracts that have been renewed under the Multifamily Assisted Housing Reform and Affordability Act (MAHRA) and are eligible to receive an Operating Cost Adjustment Factor (OCAF) rent increase. The new process is called the Automatic (Auto) OCAF Rent Increase process and is being launched in our area of the country starting March 1, 2012.

The Auto OCAF Rent Increase process eliminates the requirement for the Owner to calculate its own OCAF rent increase and submit an OCAF Worksheet and a cover letter to the contract administrator (CA) during Amend Rents years to obtain an OCAF rent increase. Contract renewals and certain contracts that are not eligible to receive an automatic OCAF annually will not be a part of this automated process. Renewal and rent increase packages for those projects should be submitted to us as in the past. To find out if your project is eligible for the Auto OCAF process, please contact us.

If your project is eligible for an Auto OCAF rent increase, at approximately 150 days prior to the contract anniversary date, we will send you a letter advising you of your project’s new OCAF increased rents, a new Exhibit A, and a request that you certify the accuracy of the debt service and non-Section 8 rent potential amounts used. Once you have accepted the Auto OCAF rent increase, you will need to complete and execute three (3) Forms HUD-92458 Rent Schedules and return those to us with your signed certification within ten (10) days. We will execute the HUD-92458 Rent Schedules upon receipt and one will be returned to you immediately, at which time you will complete your Gross Rent Change through TRACS. The entire process can be easily completed within two weeks and can provide you with your rent increase in time to process by your project’s contract anniversary date.

For projects that receive utility allowances, you are still required to complete a Utility Analysis annually at the time of the annual rent adjustment in the manner described in HUD Multifamily Asset Management and Project Servicing Handbook 4350.1, Chapter 7. Please have this completed and submitted to us at...
least 150 days prior to your project’s contract anniversary date. This will ensure timely processing of your Auto OCAF rent increase.

We and the Department of Housing and Urban Development are excited about bringing this streamlined process to you and welcome your feedback. Please submit any comments you may have to us so that we may pass them along to HUD.

If you have any questions relating to the Auto OCAF process, please contact Mary Young in our office at (207)-626-4636 or myoung@mainehousing.org.

II. Section 8 Subsidy Processing Changes

Effective March 1, 2012, MaineHousing will be processing the monthly subsidy vouchers in house, therefore Paulhus & Associates will no longer be the contact for this process. Direct contact at MaineHousing will be Kathy Abbondanzio, kabbondanzio@mainehousing.org (207-624-5716), Melissa Lizotte, mlizotte@mainehousing.org (207-624-5749) and Mary Young, myoung@mainehousing.org (207-626-4636).

The process will remain unchanged except for the following:

1. Monthly hard copy vouchers will be faxed to 207-624-0804.

2. Completed and approved monthly vouchers will be emailed to owner/managers’ TRACS contacts via secure email. Directions for retrieving secure emails will accompany the notification that a secure email has been sent.

3. Special Claims requests will be mailed to Maine State Housing Authority, 353 Water Street, Augusta, ME 04330 attention Kathy Abbondanzio.

4. Repayment Agreements can be mailed to the above address, faxed to 207-624-0804 or emailed to tprocessing@mainehousing.org.

5. To ensure that our records are current please submit an updated Property Profile Update Form (See Attached) and forward to MaineHousing at tprocessing@mainehousing.org. If at any time there are changes to the site contact personnel, please complete a Property Profile Update Form and forward to MaineHousing at the above address.

Any pending work that is in process with Paulhus & Associates will be transferred to MaineHousing and completed by the above personnel.

If you have any questions please contact Kathy, Melissa or Mary.

III. RHIIP Listserv #270 - Reminder HUD Housing Notice 2011-01

HUD recently issued a RHIIP Notice Requiring Owners with Project-Based Rental Assistance Contracts or Section 202 or 811 Project Rental Assistance Contracts to Obtain Dun and Bradstreet Numbering System
Notice H 2011-01 was issued on January 5, 2011, providing the regulatory reporting requirements and guidance for legal entities receiving federal assistance. Rental assistance payments made under Project-Based Section 8 or Section 202 or 811 Project Rental Assistance Contracts are covered under these requirements. The Department will issue a Housing Notice shortly clarifying that this requirement also applies to RAP and Rent Supplement contracts. Owners were required by Notice H 2011-01 to have obtained a DUNS number and have an active, valid registration in the Central Contractor Registration (CCR) within 60 days of the publication date of the Notice and submit Attachment A, DUNS Number and CCR Registration Certification to their local HUD office to verify compliance. The Notice further clarified that an Owner’s failure to obtain a DUNS number and CCR registration within the timeframe allotted may result in the suspension of housing assistance payments or rental assistance payments.

HUD HQs ran a listing of DUNS numbers received in response to the Notice against an extract received from CCR to ensure compliance. There are still Owners who have failed to obtain a DUNS Number and to Register in the CCR system. In order to continue to receive housing assistance payments or rental assistance payments, Owners are reminded that they must comply with the requirements of Notice H 2011-01.

Finally, CCR requires Owners to recertify annually, and Notice H 2011-01 requires Owners to maintain their CCR registration. Please note that the Department will be implementing a new Funding System in May 2012 (information provided soon). As a result, Owners who are not in compliance with the requirements of this Notice by April 23, 2012, risk suspension of their housing assistance or rental assistance payments.

Thank you for your cooperation in complying with these requirements. Your prompt attention to this matter is requested in order to prevent any disruption of payments under housing or rental assistance contracts.

Questions regarding the Notice should be directed to Theresa Fields, Housing Project Manager, Office of Housing Assistance Contract Administration Oversight for Multifamily Housing Programs. Ms. Fields’ telephone number is (202) 402-2703.

Attachments:
- Property Profile Update Form