



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

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I. New Passbook Savings Rate Published

As noted in an e-mail blast on November 14, 2014 – we want to remind you that HUD has published a new Passbook Savings Rate that becomes effective February 1, 2015. This change will affect tenants currently in the pipeline for recertification for February 1 or later. We have revised the Tenant Income Certification Form to reflect the new passbook rate for use in the certification process– it is attached for reference and can be found on our website at <http://www.mainehousing.org/docs/default-source/property-mgmt/tenant-income-certification.pdf?sfvrsn=10>.

II. RHIIP Listserv #323 – Housing Notice on Waiting List Administration Published

HUD Notice 2014-16 *Waiting List Administration* has been posted to HUDCLIPS and is attached for reference. This notice provides additional options for owners in their waiting list administration to further ensure fair housing compliance and provides guidance on the administration of waiting lists for Multifamily Housing properties. Topics include opening the waiting list, placing applicants on the waiting list, and outreach.

III. RHIP Listserv #324 - Cost of Living Adjustment (COLA) for 2015

Monthly Social Security and Supplemental Security Income (SSI) benefits for nearly 64 million Americans will increase 1.7 percent in 2015.

The 1.7 percent cost-of-living adjustment (COLA) will begin with benefits that more than 58 million Social Security beneficiaries receive in January 2015. Increased payments to more than 8 million SSI beneficiaries will begin on December 31, 2014.

IV. MREMA announces a new Membership Grant Program

MREMA has grant money available to sponsor the first year's dues to the organization for owners and/or managers throughout Maine who are interested in joining the organization. The criteria for participation in the Program are outlined in the attached Program summary.

V. Personnel Changes within the Asset Management Department

With all the recent staff changes, Asset Management undertook an evaluation of the departmental structure and performed a needs analysis which resulted in a re-organization of the Department that will become effective January 1, 2015. The highlighted changes include:

- An additional Asset Manager position was added so we would have more resources to accommodate the needs of our partners. Andrew Altmaier from the Finance Department at MaineHousing has been hired for this position.
- Asset Manager, Jane Sturk has accepted a newly created role of Asset Management Portfolio Loan Originator which will focus on lending activity in the Department, including Subsequent loans and ownership transfers, to assist our partners/projects in the existing portfolio. This movement opened up an Asset Management position to replace Jane. Alison Dyer has been hired for this position. Alison came to us from the Housing Choice Voucher Department at MaineHousing and has worked with many of our multifamily properties that have Mod Rehab or Project-Based Voucher contracts.
- With the addition of the new Asset Managers, a portfolio realignment was completed. Asset Managers are in the process of preparing letters of introduction that will be sent to their respective Owner/Managers over the next several weeks.
- Kimberly Weed is assuming the Portfolio Manager position and oversight responsibility for the Asset Managers. In turn, the Inspections group will be reassigned from Kim to Bob's purview.
- Mary Young's vacated position of Financial Officer has been recast as Financial Contracts Officer and Karen Champagne who was working with Mary will transition over into the role. Cindy Wardwell will be moving over to Karen's current position which leaves a void in AFR/Budget reviews. This position is currently being advertised.

Also at this time, we are in the process of filling an Inspector position. We will let you know when both the Inspector and Financial Officer positions have been filled.

VI. TRACS 202D Conversion Deadline Approaching

The deadline for TRACS 202 conversion is coming up. If your software has been converted to TRACS 202 d format then you are all set. If you have not, your software has to be converted by January 31, 2015. Please contact your software provider for assistance with this conversion.

VII. Effect of LIHEAP on SNAP and Impact to Subsidized Housing Tenants

The amount of SNAP benefit that a family receives is directly impacted by their eligibility for fuel assistance (LIHEAP). If a family can show it qualifies for LIHEAP, they can get a deduction known as the Standard Utility Allowance (SUA) which in turn increases the SNAP benefits they receive.

A recent change to the law now requires these families to prove their eligibility for LIHEAP every year when they apply for SNAP in order to receive the SUA deduction. In the past, they only had to do this once every five years.

The Maine LIHEAP program is proactively working to streamline the application process for SNAP clients who receive subsidized rental assistance by relying on the results of the rental income eligibility certifications as the basis to qualify them as income eligible for LIHEAP assistance.

A memo outlining the program, new law and required documentation for streamlining eligibility determinations is attached for reference.

Attachments:

- **Updated Tenant Income Certification Form**
- **MREMA Membership Grant Program**
- **Memo Regarding SNAP and LIHEAP**

Please note that MaineHousing provides notices as a service to our partners. Notices are not intended to replace ongoing training and do not encompass all compliance and regulatory changes that may occur on the wide arrange of housing programs in which we work. MaineHousing recommends partners establish an ongoing training program for their staff.

Maine State Housing Authority ("MaineHousing") does not discriminate on the basis of race, color, religion, sex, sexual orientation, national origin, ancestry, physical or mental disability, age, familial status or receipt of public assistance in the admission or access to or treatment in its programs and activities. In employment, MaineHousing does not discriminate on the basis of race, color, religion, sex, sexual orientation, national origin, ancestry, age, physical or mental disability or genetic information. MaineHousing will provide appropriate communication auxiliary aids and services upon sufficient notice. MaineHousing will also provide this document in alternative formats upon sufficient notice. MaineHousing has designated the following person responsible for coordinating compliance with applicable federal and state nondiscrimination requirements and addressing grievances: Louise Patenaude, Maine State Housing Authority, 353 Water Street, Augusta, Maine 04330-4633, Telephone Number 1-800-452-4668 (voice in state only), (207) 626-4600 (voice) or Maine Relay 711.

PART I – DEVELOPMENT DATA		
<input type="checkbox"/> Initial Certification <input type="checkbox"/> Recertification <input type="checkbox"/> Other _____	Move-in Date: _____ (MM/DD/YYYY)	Effective Date: _____ (MM/DD/YYYY)
Hshold Income @ Move-in: _____ Hshold Size @ Move-in: _____ Current Hshold Size: _____	1. Project Name: _____	2. Project #: _____ Building ID ____ - ____ - ____ (LIHTC)
3. Unit #: _____	4. # Bedrooms: _____ SF _____	5. City/Town _____ County: _____

PART II – HOUSEHOLD COMPOSITION							
Hshld Mbr #	Last Name	First Name & Middle Initial	Sex	Relationship to Head of Household	Date of Birth (MM/DD/YYYY)	F/T Student (Y or N)	Social Security or Alien Reg. No.
1				HEAD			
2							
3							
4							
5							
6							
7							

PART III. ANNUAL INCOME (USE ANNUAL AMOUNTS)				
Hshld Mbr. #	(A) Employment or Wages	(B) Soc. Security/Pensions	(C) Public Assistance	(D) Other Income
TOTALS	\$ _____	\$ _____	\$ _____	\$ _____
(E) TOTAL INCOME: (add totals from (A) through (D), above)				<div style="border: 1px solid black; width: 100%; height: 15px; margin-bottom: 2px;"></div> <div style="border: 1px solid black; width: 100%; height: 15px;"></div>

PART IV. INCOME FROM ASSETS				
Hshld Mbr #	(F) Type of Asset	(G) C/I	(H) Cash Value of Asset	(I) Annual Income from Asset
TOTALS:			\$ _____	\$ _____
Total Cash Value If (H) is over \$5000		\$ _____ X	Passbook Rate .06%	= (J) Imputed Income \$ _____
(K) TOTAL INCOME FROM ASSETS (The greater of the total of column I, or J, imputed income)				<div style="border: 1px solid black; width: 100%; height: 15px; margin-bottom: 2px;"></div> <div style="border: 1px solid black; width: 100%; height: 15px;"></div>

PART V. TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES	
TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES: Add (E) and (K) \$ _____	Household Meets the unit Income Restriction at: <input type="checkbox"/> 60% <input type="checkbox"/> 50% <input type="checkbox"/> 40% <input type="checkbox"/> 30% <input type="checkbox"/> _____%
Current Income Limit per Family Size: \$ _____	
<p align="center">LIHTC & RLP Only</p> Current Income Limit X 140%: \$ _____ Household Income exceeds 140% at recertification: <input type="checkbox"/> Yes <input type="checkbox"/> No	<p align="center">SHARP, NewLease & Rental Rehab, FedHome Only</p> Current Income exceeds 80% AMI at time of recertification Or, if a Low Home unit, income exceeds 50% AMI but is below 80% AMI: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Low HOME unit between 50% & 80%

- "Handicap" does not include current, illegal use of or addiction to a controlled substance.
- An individual shall not be considered to have a handicap solely because that individual is a transvestite.

2 – No

3 – Declined to complete **(Please initial below)**

Resident/Applicant: I do not wish to furnish information regarding ethnicity, race and other household composition.

(Initials) _____
 (HH#) 1. 2. 3. 4. 5. 6. 7.

SIGNATURES

The information on this form will be used to determine maximum income eligibility. I/we have provided for each person(s) set forth in Part II acceptable verification of current anticipated annual income. I/we agree to notify the landlord immediately upon any member of the household moving out of the unit or any new member moving in. I/we agree to notify the landlord immediately upon any member becoming a full time student.

Under penalties of perjury, I/we certify that the information presented in this certification is true and accurate to the best of my/our knowledge. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement.

SIGNATURE OF LESSEE	DATE	SIGNATURE OF LESSEE	DATE
SIGNATURE OF LESSEE	DATE	SIGNATURE OF LESSEE	DATE

Based on the representations herein and upon the proofs and documentation required to be submitted, the individual(s) named in Part II of this Tenant Income Certification is/are eligible under the provisions of Section 42 of the Internal Revenue Code, as amended, and the Land Use Restriction Agreement (if applicable), to live in a unit in this Project.

SIGNATURE OF OWNER/REPRESENTATIVE	DATE
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Part IV - Income from Assets

See HUD Handbook 4350.4 for complete instructions on verifying and calculating income from assets, including acceptable forms of verification.

From the third party verification forms obtained from each asset source, list the gross amount anticipated to be received during the twelve months from the effective date of the certification. List the respective household member number from Part II and complete a separate line for each member.

- Column (F) List the type of asset (i.e., checking account, savings account, etc.)
- Column (G) Enter C (for current, if the family currently owns or holds the asset), or I (for imputed, if the family has disposed of the asset for less than fair market value within two years of the effective date of (re)certification.
- Column (H) Enter the cash value of the respective asset.
- Column (I) Enter the anticipated annual income from the asset (i.e., savings account balance multiplied by the annual interest rate).
- TOTALS Add the total of Column (H) and Column (I), respectively.

If the total in Column (H) is greater than \$5,000 you must do an imputed calculation of asset income. Enter the Total Cash Value, multiply by .06% and enter the amount in (J), Imputed Income.

- Column (K) Enter the greater of the total in Column (I), or (J).

Part V - Total Annual Household Income from all sources

- Total Annual Household Income From all Sources Enter the total of (E) and (K).
- Maximum Income Limit per Family Size Enter the Maximum Move-in Income Limit for the household size.
- Household Meets Income Restriction at Check the appropriate box for the income restriction that the household meets according to the unit income target specified by the set-aside(s) for the project.
- Current Income Limit X 140% For recertifications only. Multiply the current Maximum Move-in Income Limit by 140% and enter the total. Below, indicate whether the household income exceeds that total. If the Gross Annual Income at recertification is greater than 140% of the current income limit, then the available unit rule must be followed.

Part VI - Rent

- Tenant Paid Rent Enter the amount the tenant pays toward rent (not including rent assistance payments such as Section 8).
- Rent Assistance Enter the amount of rent assistance, if any.
- Utility Allowance Enter the utility allowance. If the owner pays all utilities, enter zero.
- Other non-optional charges Enter the amount of non-optional charges, such as garage rent, storage lockers, charges for services provided by the development, etc.
- Gross Rent for Unit Enter the total of Tenant Paid Rent plus Utility Allowance and other non-optional charges.
- Maximum Rent Limit for this unit Enter the maximum allowable gross rent for the unit.
- Unit Meets Rent Restriction at Check the appropriate rent restriction that the unit meets according to what is required by the set-aside(s) for the project.

Part VII - Student Status

If all household members are full time* students, check "yes". If at least one household member is not a full time student, check "no".

If "yes" is checked, the appropriate exemption must be listed in the box to the right. If none of the exemptions apply, the household is ineligible to rent the unit.

**Full time is determined by the school the student attends.*

Part VIII - Divesture of Assets

Applicants and tenants must declare whether an asset has been disposed of for less than fair market value at each certification and recertification. Assets greater than \$1,000 disposed of for less than fair market value during the two years preceding certification or recertification must be counted as an asset. If the tenant has indicated that assets have been disposed documentation and verification regarding the circumstances and amounts must be obtained. If applicable the amounts must be included on Section IV.

PART IX - SUPPLEMENTAL INFORMATION

Complete this portion of the form at move-in and at recertification's (only if household composition has changed from the previous year's certification).

Tenant Demographic Profile	Complete for each member of the household including minors. Use codes listed on supplemental form for Race, Ethnicity, and Disability Status.
Resident/Applicant Initials	All tenants who wish not to furnish supplemental information should initial this section. Parent/Guardian may complete and initial for minor child(ren).

Signatures

After all verifications of income and/or assets have been received and calculated, each household member age 18 or older must sign and date the Tenant Income Certification. For move-in, it is recommended that the Tenant Income Certification be signed no earlier than 5 days prior to the effective date of the certification.

It is the responsibility of the owner or the owner's representative to sign and date this document immediately following execution by the resident(s).

The responsibility of documenting and determining eligibility (including completing and signing the Tenant Income Certification form) and ensuring such documentation is kept in the tenant file is extremely important and should be conducted by someone well trained in tax credit compliance.

These instructions should not be considered a complete guide on tax credit compliance. The responsibility for compliance with federal program regulations lies with the owner of the building(s) for which the credit is allowable.



MREMA

MAINE REAL ESTATE MANAGERS ASSOCIATION

ANNOUNCING: The Maine Real Estate Manager's Association (**MREMA**)
Membership Grant Program

MREMA is pleased to announce that we have a grant program in place to sponsor the first year dues to our organization for owners and/or managers of multifamily properties throughout Maine. The initial funding for the grant program was made possible due to the generous donation of longtime MREMA member and supporter Jim Otis.

The criteria for participation is 1) to be a first time member of MREMA **OR** be a returning member who hasn't been a member for a minimum of five years and 2) to have an interest in increasing networking and training opportunities in our professional development organization.

Beginning January 1, 2015, if you are or know of an owner or property manager/company who may benefit from the opportunities provided by **MREMA** membership, please have them contact the Membership Chair Barbara Soloway at bsoloway@avestahousing.org or 207-553-7780 x231.

The **Maine Real Estate Managers Association** (MREMA) is a Non-Profit Organization Committed to Promoting Professional Asset Management by Providing Effective Leadership through Collaborative Relationships, Educational, and Training Programs.

MREMA does not discriminate based on race, color, religion, age, sex, national origin, sexual orientation, familial status, sources of income, or disability.



Energy & Housing Services Department Memorandum

To: Public Housing Authorities, Housing Providers, Property Managers, and USDA Offices
cc: Community Action Agencies (CAAs)
From: Kathy Kinch, Program Operations Manager
Date: December 11, 2014
Subject: LIHEAP – Documentation Required for Subsidized Housing Tenants

The intent of this memo is to inform our housing partners about changes in the federal Farm Bill impacting subsidized housing tenants. We hope this information helps to clarify the following:

- Background on the connection between Low Income Home Energy Assistance Program (LIHEAP) and Supplemental Nutrition Assistance Program (SNAP) benefits – i.e. Heat and Eat
- Federal law changes and the potential impact on SNAP benefits.
- Housing related documentation required to determine LIHEAP eligibility of subsidized housing tenants.

Background:

The following provides some context for the connection between LIHEAP and SNAP benefits. A portion of this is an excerpt from an article published by the National Consumer Law Center (June 2014).

“Heat and Eat” is a term used to describe a streamlining practice that some states use to determine SNAP benefit levels for eligible households. In calculating a household’s monthly SNAP benefits, certain deductions from income are allowed, including the (SNAP) Standard Utility Allowance (SUA). A household may receive a higher SNAP benefit if they qualify for more deductions.

Under previous law, Maine households who did not have direct heating costs could qualify for the (SNAP) SUA, which in turn resulted in a higher SNAP benefit, if one of the following was true:

- Household indicated to DHHS that they intended to apply for LIHEAP; or
- Household received any amount of LIHEAP benefit. Tenants residing in subsidized units with heat included only needed to apply for LIHEAP once every five years.

Changes to “Heat and Eat” in the Agriculture Act of 2014 – Section 4006 of Title IV in the Agriculture Act of 2014, commonly known as the Farm Bill of 2014, provides that LIHEAP payments of \$20 per year or less no longer entitle a household to automatically qualify for the SUA. This means that families receiving \$20 or less in LIHEAP assistance will not qualify for “Heat and Eat”. These changes took effect in March 2014 for new SNAP applicants. For current SNAP

recipients, the law states that the change will take effect when they reapply for benefits at the end of their current (SNAP) certification period.

Impact on Maine Clients:

This change affects thousands of Maine households who now find themselves in a position of having to apply for LIHEAP annually instead of once every five years. In order to minimize the impact to these households and make the process more efficient, MaineHousing has streamlined the application process so that with adequate documentation/support, these households can be certified as LIHEAP eligible based on the fact that they have been deemed income eligible for rental assistance as determined through the annual income certification process. To adequately support this, as part of the LIHEAP application/certification process, applicants who reside in subsidized housing (defined as rent restricted units or units receiving rental assistance through HUD Section 8 or Rural Development Rental Assistance subsidy) must provide documentation, as prescribed by MaineHousing, to substantiate the following:

- a. Landlord's or housing agent's name and telephone number
- b. Physical address of the property
- c. Tenant rent amount
- d. Effective date of lease or annual verification/recertification
- e. Names of all persons living in the residence.
- f. Tenant's responsibility for utilities – amount paid by tenant.

The following outlines LIHEAP eligibility and the documentation requirements by housing type. The documentation listed below will be acceptable provided it fully addresses (a) thru (f) above.

It is important to note that LIHEAP eligibility is based on the information submitted by the Primary Applicant as of the **Date of Application**. Therefore, the **documentation submitted should represent what was effective on the (LIHEAP) date of application**.

Subsidized with heat included tenants

MaineHousing has increased LIHEAP payments to \$21 per year to comply with the new law and ensure clients maintain eligibility for "Heat and Eat".

Tenants living in subsidized housing **with heat included** may be eligible for a \$21 LIHEAP benefit provided they pay a portion of their rent or utility costs.

Receipt of a \$21 LIHEAP benefit entitles the client to the SNAP Standard Utility Allowance (SUA) provided the benefit was paid within the twelve (12) months preceding their SNAP application or recertification date.

If the subsidy pays 100% of the rent and utility costs, the tenant does not have a direct or indirect heating cost; and therefore, would not be eligible for LIHEAP.

Documentation: applicant/tenant must provide **one of the following** when applying for LIHEAP:

- a. Recertification worksheet/summary or Rent Calculation sheet signed by property manager or subsidy housing specialist; **or**
- b. Valid lease agreement; **or**
- c. Recertification form (HUD 50058/59 or RD 3560-8).

Subsidized housing tenants who are responsible for paying all or a portion of their heating costs

Tenants living in subsidized housing who are responsible for their own heat may be eligible for a regular LIHEAP benefit that is greater than \$21/year. The LIHEAP benefit amount is based on the tenant's estimated home heating cost minus any subsidy received, or included in the rent reduction calculations, to assist the tenant with home heating costs. Since the tenant has a direct heating cost, their eligibility for the SUA is NOT contingent on receiving a LIHEAP benefit.

Documentation: applicant/tenant must provide one of the following when applying for LIHEAP:

- a. Recertification worksheet/summary or Rent Calculation sheet signed by property manager or subsidy housing specialist **and** Home Energy Assistance – Subsidized Housing Form; **or**
- b. Valid lease agreement and Home Energy Assistance - Subsidized Housing Form; **or**
- c. Recertification form (HUD 50058/59 or RD 3560-8) **and** Home Energy Assistance Program - Subsidized Housing Form.

We acknowledge it has been a difficult, confusing, and administratively burdensome transition for all involved, including clients and our partners. MaineHousing will continue looking for ways to simplify the documentation requirements and still be in compliance with the federal requirements.

If you have questions, concerns, or suggestions, please email me at kkinch@mainehousing.org or call 207-626-4689.

We appreciate your efforts to support and assist our mutual clients with the changes to the Heat and Eat program.