

Tenant Resource Network Questions and Answers- December 2012

1. How often will HUD compile a list of TRN Eligible Properties?
 - a. HUD will provide an update to the Section 8 datasets each quarter on http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/presrv/mfhpreservation , and also email grantees property information. In an effort to help identify newly eligible properties, HUD will pull data each quarter to identify TRN eligible properties. This list will include data from HUD's centralized dataset, iREMS, on contracts expiring within 24 months of the date, along with eligible triggering events within the same timeframe, as defined in the NOFA. The list will also include a list of 120-day opt out notices and prepayment notices on projects with contracts expiring within 24 months of the TRN grant awards, gathered from the HUD field offices.

Please note that properties may become ineligible during the grant period or before TRN Workplan approval and HUD will then notify grantees of ineligibility. For example, if a Section 8 Housing Assistance Payment (HAP) contract is renewed for more than two years during the TRN grant period, then the Section 8 contract is no longer expiring within 24 months of the date, and the property is no longer TRN-eligible. HUD may also learn, in the midst of a quarter, that a property is no longer TRN eligible. If HUD determines that a TRN grantee is working in a property that is no longer TRN-eligible, HUD will inform the grantee. The grantee will have 30 days from notification to close-out reimbursable work at the property.

2. What is the method of distributing the list updates?
 - a. Emails will be sent to Grantees.
3. How often are letters sent to Owners about TRN?
 - a. Letters are sent to Owners quarterly, with each data pull and when they are selected for activity by Grantees. If requested by the grants, we /will email letters to Owners or Agents if they have not received the letter when TRN work begins.
4. When will the TRN team communicate with Grantees?
 - a. The TRN team will hold conference calls monthly for the first quarter from initial kickoff (training) through October 2012. The TRN team lead may be reached at Claire.t.brolin@hud.gov or 202-402-6634. Backups may be reached at 202-708-3000 or TRNP@hud.gov
5. What are Newly Eligible Properties?
 - a. According to Section I.A.1.c of the NOFA (with Technical Correction), Newly Eligible Properties are those properties that become TRN-eligible during the award term due to a Section 8 contract at the property expiring within the period following the NOFA publication until two years from publication, along with evidence of a triggering event within that same, or written, publicly available evidence that the Owner has listed the property for sale, the Owner has filed a notice of intent to sell the property in accordance with applicable state or municipal law, or the Owner has filed a 12-month notification of intent to Opt-Out of the Section 8 rental assistance contract. This definition has been expanded to include properties with a Section 8 contract expiring within two years from the current date and a triggering event or publicly available evidence of intent to see or opt-out within the same timeframe.
 - i. Acceptable evidence for HUD consideration of Newly Eligible properties must include one or more of the following: written Owner notification to tenants of

mortgage prepayment submitted during the 24 month period following the current date; receipt of a second consecutive Below 60 REAC score at the property during the 24 month period following the current date; submission to HUD of written evidence that the Owner intends to sell the property (i.e. written contract of sale, or publicly posted real estate listing for the property during the grant term, or evidence that the Owner has filed a notification of intent to sell the property with an applicable state or municipal agency as may be required under state or municipal notification laws); and/or an Owner filing of a 12 month notification of Opt Out or 120 day Owner Election of Opt Out during the 24 month period following the current date.

- ii. On a quarterly basis, HUD will provide awardees with a list of properties with overall Section 8 contract expiration dates within the 24 month period following the current date where the Owner has submitted a 120-day Owner Election Form indicating the selection of “Option 6: Opt Out.”

Please see Section I.A.1.c of the NOFA (with Technical Correction) for more information on Newly Eligible Properties and how to add them to property lists.

6. Is a 12 month opt out notice reasonable evidence for a Newly Eligible property?
 - a. Yes
7. Can we add newly eligible properties more than quarterly?
 - a. Grantees may request to add newly eligible properties on a quarterly basis with the quarterly report submission. Grantees may also request to add newly eligible properties in the midst of the quarter. HUD will make every effort to review and respond to requests to add newly eligible properties within 14 business days.
8. Are RAP, Rent Supp or PRAC properties Eligible for TRN activity?
 - a. Only properties with expiring Section 8 Project Based HAP Contracts are included in this program.
9. Could M2M properties be added to Work Plans?
 - a. No.
10. Can we work in places with project based vouchers?
 - a. No, unless there is an expiring Project Based Section 8 HAP Contract and triggering event, project based vouchers are not a qualifier for TRN eligibility.
11. Can we add buildings refinanced with the Title 2 program with expiring use agreements or Title 6's where mortgages are expiring?
 - a. To the extent that these properties meet criteria in the NOFA, a building that has a maturing FHA-insured or Direct mortgage, within the 24 month period of the TRN Program is also eligible for TRN if they have a Section 8 Contract expiring before July 2014. HUD cannot consider properties with state housing finance agency-financed mortgages as TRN-eligible in this scenario, because the NOFA competition did not include this type of property. The integrity of the program would be compromised if an entirely new category of property were to be added. However, if the property with a state-financed mortgage and HAP contract experiences another triggering event other than mortgage maturity such as an opt-out or two below 60 REAC scores, the property may be TRN eligible.

12. Could properties that don't meet the criteria on paper but that meet the criteria in a de facto way be added if they have "proof"? For example, adding a property in terrible physical condition that had two failing REAC scores but gets a higher score on the most recent REAC inspection.
 - a. No. All properties must meet TRN criteria and be approved by Headquarters before work can start. Grantees may perform eligible activities and work toward TRN NOFA outcomes in TRN eligible properties. As stated in the NOFA, TRN activities may only be performed in TRN-eligible properties.
13. Eligible properties have a Section 8 contract that must expire 24 months from the NOFA issuance which was 10/2011 and then also needs to have a triggering event. Correct?
 - a. The Section 8 contract must expire no later than two years from the current date and
 - i. Was on the original property list published with the NOFA and remains eligible, or
 - ii. have a triggering event occurring from the date of the NOFA publication to two years from the current date

Triggering events are:

- an FHA insured or Direct mortgage maturity date maturity date that falls within the 24-month period following July 1, 2012;
- receipt by HUD of an owner election to Opt-out, as evidenced by receipt of an Owner Election Form selecting "Option 6: Opt Out," on or after date of publication of the NOFA through two years from the current date;
- receipt by HUD of an owner 12-month notification of Opt Out on or after the date of publication of the NOFA;
- a notice of prepayment filed by the owner on or after date of publication of the NOFA; and/or
- the receipt of two consecutive Below 60 REAC scores (where the Section 8 project based rental assistance contract is not yet under abatement), with the most recent score issued on or after the date of publication of the NOFA.

14. How do we deal with buildings that were on our original list, but are no longer eligible? Do we state that on the work plan we are updating now for approval? I assume we won't be required to have a meeting there within 3 months.
 - a. If one of these actions has occurred in a property identified by a grantee in the TRN application, the Grantee must remove the property from the Work Plan. HUD will provide information to Grantees when one of these ineligibility events occurs.
15. What makes a formerly eligible property ineligible?
 - a. TRN's main purpose is preservation, therefore, if there is still a HAP expiry 24 months from the current date, some properties may still be eligible for TRN activities although there is no longer a triggering event. Here are some examples of when work must stop within 30 days:
 - i. Vouchers- if the property has opted out (the contract has terminated) and vouchers have been provided to residents;
 - ii. The property is preserved as affordable housing- the owner has executed a HAP contract that is renewed for two years or more;
 - iii. FHA insured or direct mortgage changes- if the underlying FHA, or direct mortgage has matured or has been refinanced (closed), unless the HAP expires in less than two years;
 - iv. Prepayment- if a prepayment has occurred and the property no longer has an active FHA mortgage, unless the HAP contract still expires in less than two years;

- v. REAC scores-if the property has received a REAC score above 60, unless the HAP contract still expires in less than two years;
 - vi. Abatement-if an otherwise eligible property on the applicant's list receives a 2nd below 60 REAC assessment during the award period, the TRN activity at that property shall be suspended or not begin until a definitive determination is made by HUD related to a property improvement plan or abatement of the Section 8 contract. If a decision is made to abate the Section 8, within the next 30 days, the role of the TRN grantee will be to assist in informing the tenants of the building of the relocation process. In such a case, the TRN grantee will cooperate with the relocation contractor to ensure tenants are informed of their rights and responsibilities related to the relocation.
16. If the purpose of TRN is to encourage preservation (including affordability and physical improvements to secure the properties for the long term), then how can "eligibility" be cut-off as soon as an owner has determined to renew an expiring Section 8 contract?
- a. Once an owner has renewed for two years or more or opted out of the Section 8 contract, it becomes HUD's responsibility to ensure that the owner complies with agreement terms and that the voucher process runs smoothly. Once an owner puts a plan in place to complete a capital repair program, HUD, through our mortgage insurance and asset management requirements, closely monitors the repair activity with construction inspections and oversight. Using TRN funds for functions already controlled by HUD would be duplicative, and TRN funds would be better used in properties that are still at risk of losing affordability within the grant term.
17. Does the current owner have to agree to something with the TRN process?
- a. TRN activities are covered by regulations at 24 CFR part 245. The Owner and Grantee are expected to comply with the regulations. However, there is no specific agreement or consent form for the Owners of TRN properties.
18. Are Owners required to provide opt-out or other notices in all the languages of need at a building?
- a. Pursuant to Section 11-4 B.3. of the Section 8 Renewal Policy Guide, if the population of a property speaks a language other than English, Owners are strongly encouraged to provide the notification letters in the appropriate languages. This is not mandatory.
19. I think Grantees are expressing concern about ensuring the focus is on the work and not being buried under the avalanche of all the detailed and time absorbing reporting requirements.
- a. With the award of grant funds come certain requirements, and TRN requirements for reporting have been established as listed in an email on 6/28/12. We have revised reporting requirements and will discuss any questions on reporting in the next Grantee conference call. In order to accept a TRN award, Grantees must have the capacity to do federal reporting.
20. What does the NOFA "Program Requirement" on tenant associations mean?
- a. The NOFA section III.F.4.f. states that for required activities, the Grantee must teach tenants how to create a tenant organization or association. This means that Grantees must address the topic of tenant associations in each property through brochures or other guidance, or trainings/workshops, if there is not already a tenant organization or association at the property.

21. The HUD Field Office provided us with an updated Eligible Properties list which includes only 16 eligible properties - the original list from which we based our application has 31 properties. The Field Office indicated that this new list is the result of research his office conducted at the request of the HUD National Headquarters. We now need to update our Logic Model but are not sure which list we should use. The other question about Eligible Properties is that while we know that we will be able to request approval of additional eligible buildings over the course of the grant, we're wondering how this new list will impact our logic model and budget, and if we should take that change into account now or later.
 - a. Headquarters did ask Field Coordinators to do some research, but only Headquarters will make determinations on property eligibility. Any Newly Eligible properties that Grantees would like to add may be requested to be added before work start in the revised Work Plan.

22. Do we need an indirect rate to charge indirect costs such as the use of the office - meeting space - use of the copier, etc? We included a small amount (only 2% of the grant) in the budget. If not, should we simply include these costs in other direct costs rather than under indirect?
 - a. An indirect cost rate is not required. All TRN eligible costs may be charged directly to TRN if the organization doesn't have an indirect cost rate. If your organization uses one, you may justify it in the budget narrative and use it. If your organization wants a federally approved rate you must submit a proposal and use an interim rate in the meantime.

23. Organizing staff needs clarification on the requirement of holding at least 3 meetings at each eligible property in the first 3 months of the award. I recall that you indicated that those first meetings need not be intensive training or workshops, but that we simply need to, at the very least, make contact with the tenants of each eligible building, inform them of the program and our intended work with them. Is that correct?
 - a. The NOFA states that a program requirement is that the "Grantee conducts meetings or workshops in all identified properties within 3 months of award." Due to the property list approval process, meetings or workshops in all identified properties should be "within 3 months of property approval". Since the NOFA never set a standard for making contact, but the previous Q/A document did, HUD would like for grantees to make contact ASAP (if you haven't already done so, within three months of this clarification on 9/20/12), and meetings/workshops are required in each property within 3 months from property approval.

24. We will administer pre and post tests to tenants to assess their level of understanding of the program and services - does HUD have any requirements or suggestions on what should be included in these pre and post tests?
 - a. We don't have any suggestions on pre and post tests now, but they could be tailored to the topic of each workshop. We will create a sample.

25. With regard to ensuring at least 50% participation from tenants in TRN activities, please clarify how HUD defines participation; according to HUD does completion of pre/post tests constitute participation?
 - a. Participation should be measured with sign in sheets and test submission.

26. It is our understanding that the administration portion of the grant includes financial management, grant management, audit, accounting, and assessment of newly eligible properties and review of HUD data. This is a real challenge that we're trying to adjust in the budget and work plan, given

- the grant management requirements we learned about at the training. Is there any flexibility on the 10% cap on administration? Could any of these line items be included in program costs?
- a. Costs related to review of HUD data and property assessments would be considered program costs, not administration.
27. Can we provide better contact info for owners?
- a. We have to look into this issue. We do have the addresses for the properties and email addresses through industry groups. We need to follow-up.
28. What is the rehab threshold for accessibility requirements?
- a. Please see Section 504 of the Rehabilitation Act.
29. Can you remind the owners of tenant's rights to organize?
- a. We remind them in letters when their properties are selected.
30. Is it ok to pay bills online and/or do direct deposit salary deposits from our bank to vendors and staff with TRN funds? Given that online payments don't have two signatures as do our checks, do we need an extra verification form or are there other HUD or OMB requirements that allow for this type of payments?
- a. You may pay bills online, but only person can be designated to pay the bills. You can't have multiple people using the same account that is used to pay bills. In other words, one password and user id only may be used so there is a check on who is removing funds from the account.
31. What lobbying do we have to disclose? You said lobbying was influencing federal employees, so do we have to disclose administrative (non legislative) meetings?
- a. Restricted lobbying is contact with federal officials to try to secure a contract, grant, or cooperative agreement, or an amendment to such instruments. If the Grantee pays for lobbying with money not derived from the Federal Government, the Grantee must disclose the funds used for such purposes. Administrative meetings which are not intended to secure a contract or grant need not be disclosed.
32. Can we add on team members?
- a. Yes, you may send requests to Headquarters on adding team members on a quarterly basis. Conflict of Interest statements and narratives on capacity for key staff must be submitted to Headquarters with quarterly report for review and approval. Approval must be received by the Housing Program Manager before team members start work. New staff must be trained before work starts, including the training from HUD.
33. How do we list indirect cost rates in the 50080?
- a. We have revised the 50080-TRNP to include a line item (1040) for indirect rates.
34. Can we use a billing period that is different than month start to month end since invoices are due at the first of each month?
- a. Yes, you may use a billing period of June 21-July 30 for August 1 since program start was that date. There is also a 5 day grace period for each invoice due date, until the 6th of each month if you choose to bill by calendar month.
35. If TRN grantee employees are salaried, can we pay them for holidays and leave?

a. Yes, grantees may be paid for holidays and leave if the payment is from Administration or the Indirect Cost Rate. It could also be done through direct costs depending on how your grant is set up. This issue must be dealt with on a case-by-case basis. Grantees may not charge holidays and leave to TRN Outreach or other program categories. Grantees may also work on federal holidays, and maintain any schedule that best suits their needs (weekends, late hours etc).

36. Can properties charge a fee for meeting space?

a. If a fee is proposed by a property for meeting space, the fee must be pre-approved by HUD. The fee should be listed on the rent schedule in the local HUD office. If there is no fee already approved, management agents or owners can request a fee or a refundable deposit from tenants or TRN grantees using the room but the fee or deposit must be approved first.

37. Can grantees have a list of unit numbers that are subsidized in each TRN building?

a. It is a Privacy Act issue to release unit numbers of residents with subsidy in the properties. We are restricted and can only provide the number of assisted units but not the unit numbers.

38. Is there a TRN website?

a. http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/grants/TRN

39. Where can grantees find more information on physical inspections?

a. http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/mfdata

40. Can grantees work in other states, such as adjacent states to the state in which they are currently working?

a. No, grantees may only work in states that they applied to work in, to preserve the integrity of the competition.

41. Will grantees be penalized for not meeting expected outcomes if properties fall off of their list for either loss of affordability or preservation?

a. Please be assured that the grantees will not be held accountable for outcomes due to loss of affordability or renewals, as those decisions are ultimately the prerogative of property owners. Grantees will be held accountable for program outcomes and self-defined outcomes (from Logic Model) in properties that remain on their list for longer periods of time, for example, more than one quarter.