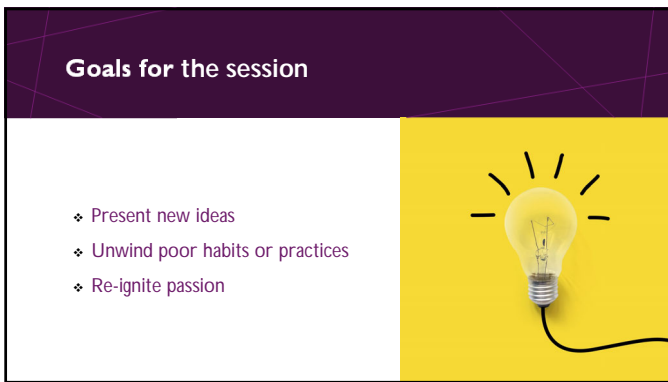
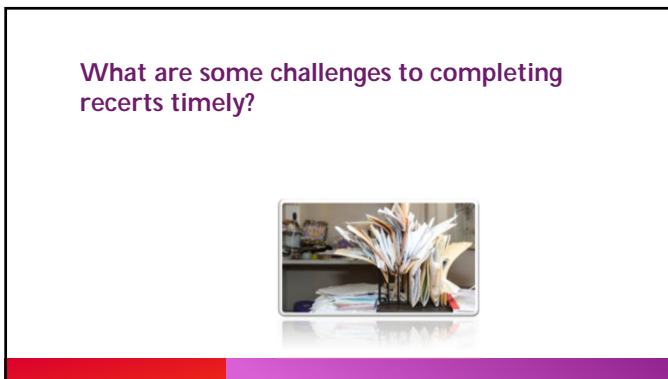


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Becoming a master

- When does the recertification process start?

During the intake/initial interview process

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It starts at the beginning-Initial intake


Discuss the type of program(s) at the property

An opportunity to set the tone of program requirements

How much time are you spending at initial intake?

Were there any red flags?

5




Welcome home-the move in process

What do you do the day of move in?

- Recommendations
 - HUD properties-provide the Initial recert notice in a Welcome Packet
 - CTCAC properties draft a letter/notice regarding recertification for a Welcome Packet
 - Provide a manila envelope to all move ins with a list of items needed for their recert
 - Provide a plastic 2 pocket folder with a sticker of their recert date and explain the importance of document collection in advance

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During the tenancy

- When do you start communicating about the upcoming recert?
- Is it only at the mandated 120 day noticing period?

7

Communication is Key

Communication should be frequent and not just when required

- What is the preferred method of contact?
- Use of electronic reminders
 - Email
 - ❖ Utilize Software platforms that can assist with auto-generated emails that are setup on a schedule
 - Text
 - ❖ Rent Cafe
 - ❖ Active building
- Required Social Events
 - ❖ Interactions about looking forward to seeing them at next recert



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MASS RECERTIFICATIONS

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CTCAC
AND MASS
RECERTS

For 100% Tax Credit properties, if after the 1st recertification, the owner wishes to move the household to a mass recertification cycle to align it with another program's certification cycle, it is not an issue for CTCAC, provided that less than 12 months has passed since the last recertification.

Example-Household 1st recertification is a full income and asset certification and is completed 4/1/2017. The recertification cycle for Section 8 at the property is October. After the 1st recertification in April 2017, the owner may elect to move household to the mass recertification date of October.

Recert MUST be completed within 12 months of the anniversary date (before April 2018).

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HUD AND
MASS
RECERTS

To ensure that assisted tenants pay rents commensurate with their ability to pay, HUD requires the following: Owners must conduct a recertification of family income and composition at **least annually**. Owners must then recompute the tenants' rents and assistance payments, if applicable, based on the information gathered.

Example of approved reasons for alternative recert: For coordination purposes, owners may request that the recertification anniversary date for all tenants be based on the anniversary date of the assistance payment contract for the property. OR owners may request that the recertification anniversary date be assigned by building or unit number to better coordinate with inspection activities


With the approval of the HUD Field Office or the Contract Administrator, owners may establish alternative recertification anniversary dates.

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RECERT
HELPFUL
REMINDERS


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Helpful Reminders by Program



- TAX CREDIT
 - If at 1st year recert at a Tax Credit property you notice that there is a new employer, what should you do?
 - A: Request the previous year's tax returns to determine eligibility at the time of move in
 - The Housing Economic Recovery Act (HERA) of 2008 (HR 3221), on July 30, 2008 abolished annual income recertifications beyond initial move-in certification was abolished for 100% tax credit properties.
 - Verify with State Allocation Agency what parameters apply

- HUD
 - HUD-Owners MUST use the EIV Income Report for third party verification of a tenant's employment and income at the time of recertification (annual and interim) and to assist in reducing administrative and subsidy payment errors.
 - Form HUD-9887, Notice and Consent to the Release of Information to HUD and to a PHA. Each adult member must sign the form regardless of whether he or she has income. If 18 years of age and the head, spouse or co-head, regardless of age, this form must be signed at move-in, initial and at each annual recertification.
 - Resident Rights and Responsibilities Brochure: Owners must provide applicants and tenants with a copy of the Resident Rights and Responsibilities brochure at move-in and annually at recertification.
 - It is the owner's responsibility to process all recertifications in a timely manner. HUD Headquarters will terminate "a certification" if a new recertification is not submitted within 15 months of the previous year's recertification anniversary date.




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Totem Pole Rule (CA)

- A household will continue to be considered tax credit eligible as long as there is at least one original household member residing in the unit.
- Children who were minors at the time the household originally moved in who were on the TIC but did not sign the initial lease are still considered original household members.
- If at any point there are no original household members in the unit, the current household members must qualify under the current income limit in order for the unit to retain the ability to get credits.
- This must be done as soon as no original members occupy the unit, it cannot be done at the next recertification.


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Recertification Letters

- Recert letters
 - ✓ Do they state the actual appointment time?
 - ✓ Do they provide information on what to bring to the appointment?
 - Be Specific
 - ✓ Does it outline what will occur if there is noncompliance with the recertification process?
 - ✓ Provide information about arriving late to the appointment

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Past Due Recert Challenges

- Neighboring sites to assist
- Determine if it is a family or senior property
 - What motivates the sites?
- How many fixed income files do you have?
 - HUD properties-only EIV is needed in most cases
- Tax Credit properties- Are THIFS an option?
- Begin upcoming recerts 120 days out and work backwards


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Recert Packet Challenges

- Provide raffle tickets in each packet for small prizes
- Offer free pizza when dropping off packet
- Provide drawings for large prizes
- *Packets- should only be used when necessary or have lower turnover numbers


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Organization is Key

- ✓ Calendar recert appointments
 - ✓ Use shared calendar if multiple people in the office
 - ✓ Utilize white board in office to list the current day's appointments
- ✓ Prepare for every appointment
 - ✓ Review the prior year's file
 - ✓ Have all applicable forms printed
- ✓ Only take the appointment if all adults are present
- ✓ Accept only COMPLETED paperwork and complete verifications
 - ✓ Give incomplete paperwork back

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Automation

- ✓ The goal is to automate as much as you can
- ✓ The process is routine enough to automate using a residential platform or software such as Microsoft Access

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Enforcement

-  All leases should have a provision or addendum that details out a resident's obligation to recert.
-  Utilize the notice to terminate on non-HUD properties
 - Cite to both the lease and regulatory provision in the notice to vacate
-  Clearly state the effective date of market increase and the amount in **BOLD** (HUD)
-  Ensure your attorney understands affordable housing and the financial impact noncompliance can have on a site

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Takeaways

- Move in is critical to the success of annual recertifications
- Communication is vital
- Recertification letters should be clear and concise
- Enforcement & Follow Through
- Resources: HUD Handbook 4350.3 Chapter 5 and Chapter 7
- Resources: CTCAC Compliance Manual, Arizona Department of Housing, Nevada Housing Division LIHTC Manual

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