



Section 8 HAP'nings! April 2014

Owner Question

We received an inquiry from an owner ~ concerned about problems with the annual 1099 statement, if the HAP payments are addressed to a property management firm or agent. We thought other owners might benefit from the answer.

1. We require evidence of ownership, and the corresponding social security/tax identification number for every HAP contract.
2. The owner then has an option of designating a different payee (agent, property management); and
3. The owner has an option (by individual contract) of having a different address for correspondence. For example, payments can be mailed to the bank, but correspondence (inspection notices, etc) mailed to the property management agent.

The software used to generate HAP payments has separate fields for owner and agent information. Data from the owner profile is used to create the 1099. If you have questions about the set-up for any of your contracts, please contact Jayla at (510) 981-5474.

Multi-Unit Non-Smoking Ordinance

Berkeley moves one step closer to being a smoke free City with full implementation of the Multi-Unit Non-Smoking Ordinance. Berkeley City Manager Christine Daniel provided initial notice of the Ordinance to all property owners earlier this year (February 2014).

Two important reminders:

- a. You must *offer* (cannot require) all sitting tenants a non-smoking lease addendum (deadline was March 1st); and
- b. All new leases (effective on or after May 1st) must include a non-smoking addendum.

We have posted information prepared by the City, including sample forms, on our website (www.cityofberkeley/infoBHA). If you don't have computer access, contact Celinda in our executive office (510-981-5483) for assistance.

The facts about Payment Standards

The Payment Standard is reviewed annually (usually in October) following publication of HUD's new Fair Market Rents (FMR). The Payment Standard must be adjusted to reflect current market rents for modest units in the jurisdiction – and must be set within 90 to 110% of the FMR. The change is generally effective *immediately* (1st of the next month) for all new contracts, and by HUD regulation, effective at the next annual recertification for all existing contracts (if there is an increase); and at the 2nd annual recertification for existing contracts (if there is a decrease). Keep in mind it is possible to have 2 units, in a single building, but with 2 different *applicable* payment standards. For example, the pre-existing tenant (Oct. 2010) would not have the 2012 Payment Standard applied until the next annual recertification, while a new contract (effective Jan. 2014) would have the new December 2013 Payment Standard, provided that the unit meets HUD-required Rent Reasonableness standards.

HAP Subsidy

The check will **not** be "*in the mail*." We are a couple of months closer to the July 1st implementation of electronic payment of all HAP subsidies. This change in process is consistent with the practice of many other Housing Authorities (and other agencies), and is a critical cost saving measure during times of decreasing federal funding. If you haven't already done so, please provide us of notice of your banking information (form closed) and provide email address to Jayla Fuentecilla at (510) 981-5474 or bfuentecilla@ci.berkeley.ca.us. If we do not have the information, receipt of payment will be delayed.

BHA's Unit Listing Service

Have or anticipate a vacancy? Let us help you identify a pool of potential renters for you to screen. The service is free to owners, and is viewed by households currently residing in Berkeley, and others wishing to transfer to Berkeley with S8 rental assistance. The form is available on line: www.cityofberkeley.info/BHA or you can email bha@ci.berkeley.ca.us, fax 981-5480, call 981-5470, or drop it off at the office.

April 2014 Calendar

- Closed every Friday
- Thurs, Apr 10th, Board Meeting (North Berkeley Senior Center, 6:00 p.m.)