

July 2023 General Management Review Discussion Points:

- **The majority of Minnesota Housing staff are teleworking. Please inform tenants that request contact info that phone and email are best contact and that in person meetings are available by appointment only.**

- **Housing Optimization Through Modernization Act (HOTMA)**

Final Rule Effective Date & HOTMA Implementation All provisions for Multifamily Housing programs will become effective on January 1, 2024. Owners must implement the revised regulations for all tenant certifications of income effective January 1, 2024, and after. Additional guidance will be forthcoming, however owners and agents are encouraged to read the notice. https://www.hud.gov/program_offices/housing/mfh/hotma

Programs Will Be Affected by the Final Rule? The Section 8 PBRA (including RAD), Section 202/811 PRAC, 202/8, 202/162 PAC, Senior Preservation Rental Assistance Contract (SPRAC), and Section 811 Project Rental Assistance (811 PRA) programs will see changes due to HOTMA.

- **Management and Occupancy Review (MOR) Final Rule: Risk-Based Monitoring Schedule**
HUD released the final rule for the Risk-Based Monitoring Schedule for Management and Occupancy Reviews (MORs) in late June. Minnesota Housing is currently seeking clarification on several portions of this rule that will help determine implementation of the new schedule. Please watch for updates from Minnesota Housing and/or your Housing Management Officer(s) regarding any clarifications on the rule or changes to the current MOR schedule in place.
- **REAC reports will no longer be sent by Minnesota Housing as of May 1, 2023.**
As of May 1, 2023, Minnesota Housing will no longer be sending Owners and Agents copies of REAC reports after they are released by HUD. Visit this website to access your report <https://www.hud.gov/reac>
- **Carbon Monoxide Devices**
The statutory requirement to have carbon monoxide devices in HUD-assisted rental properties is effective **as of 12/27/2022** for multifamily properties. As described in [Housing Notice 2022-01](#), these devices are required in properties with carbon monoxide sources, such as those with fuel-burning appliances or attached garages. To comply, owners must install carbon monoxide alarms or detectors in accordance with the standards of the [2018 International Fire Code \(IFC\)](#). To help owners place the devices, Real Estate Assessment Center (REAC) worked with the International Code Council to develop a [new decision tree](#).

Multifamily owners and operators still purchasing devices can consider [Lowe's partnership with OMNIA Partners](#) to provide government agencies and nonprofits contract savings at the time of purchase, with no minimum order required.

- **REAC Inspections during COVID – Tenant's Right to Decline Inspection**

Residents should communicate any health or related concerns with the property representative. Should the tenant opt to decline entry, the inspector will work with the property to select an alternate unit. If a tenant communicates their request to deny REAC inspection, please try to communicate this at the 28, 14, and 2-day notification intervals. Full details are available on the [Updated REAC during COVID flyer](#).

- **Special Claim Submissions**

In July, the Special Claims submission process was launched via Minnesota Housing's Multifamily customer Portal (Portal). Training materials are available on our website: [Special Claims User Guide- Step-by-step instructions for Special Claims](#)
[Special Claims in the Portal Tutorial- Video training with step-by-step instructions](#)

Owners/Agents should now only be submitting their claims through this system. If there are questions regarding the set up process, please email mhfa.app@state.mn.us for assistance. For questions regarding your Special Claims submissions, contact your assigned TRACS Data Analyst.

- **NSPIRE inspection calculator**

HUD is providing a tool that will help property owners and agents calculate an **estimate** of their inspection score under the new National Standards for the Physical Inspection of Real Estate (NSPIRE) protocol. Give [the calculator](#) a try in the button below.

- **Legalization of Marijuana use**

Governor Walz recently signed a bill making marijuana possession and usage legal for persons age 21 or older, in the state of MN as of August 1, 2023. Although many states have adopted this policy, The U.S. Department of Housing and Urban Development (HUD) has **NOT**. It will be important to inform tenants that although the state allows this, the federal ruling supersedes and the use or possession of marijuana of any kind, is not allowed in any federally funded property. If you would like more information on HUD's ruling, please refer to [USEOFMARIJINMFASSISTPROPTY.PDF \(hud.gov\)](#).



For the purposes of reasonable accommodations, the definition of a person with disabilities is the definition defined for civil rights protections. However, to receive the program benefits of a person with disabilities, a tenant would have to meet the definition of disability for that specific property. For this reason, when someone is deemed disabled for purposes of a reasonable accommodation that does not automatically make them eligible for the program's definition of disabled, therefore there is a chance that they would not qualify for the \$400

allowance and medical expense deduction. When a reasonable accommodation is approved, it should be a trigger to seek verification on whether the tenant also meets the program definition of disabled.

Online Training Opportunities:

Minnesota NAHRO

NSPIRE Standards – August 7th and 8th

Visit <https://mnnahro.org/> for details

Ross Business Development (RBD)

Various trainings available. <https://www.rbdnow.com/online-training>

National Center for Housing Management (NCHM)

Various trainings available. <https://www.nchm.org/online-training/>

Quadel

Various trainings available.

<https://quadel.com/training-and-certification/online-training-calendar/>

Minnesota Multi Housing Association (MHA)

Various training and certification programs available.

<https://www.mmha.com/Certifications>

<https://www.mmha.com/Online>

To view past issues of MOR Hot Topics, visit <https://www.mnhousing.gov/rental-housing/property-managers/section-8---811-contracts.html>.