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Section 8 Contract Administration

In August 2000, Tennessee Housing Development Agency (THDA) was awarded a Performance Based Annual Contributions Contract (ACC) with the US Department of Housing and Urban Development (HUD) for oversight of properties with Section 8 Housing Assistance Payment Contracts. The Section 8 Contract Administration Division has responsibility for 400 of HUD's Performance Based Section 8 properties in Tennessee encompassing 28,950 units, and is also a traditional contract administrator for a small portfolio of Project-Based Section 8 properties for which THDA is the mortgage holder.

Sixteen incentive-based performance standards define Contract Administration's services under these contracts. Failure to meet Acceptable Quality Levels has financial repercussions. The main reporting categories are:

- Property Voucher review and payment
- Processing of contract renewals between HUD and owners
- Processing property rent adjustments
- Investigating resident issues
- Conducting management and occupancy reviews
- Following up on exigent health and safety issues
- Processing special claims

The investigation of resident issues is one area that receives immediate attention. THDA has one business day in which to respond to an inquiry if it is considered life-threatening. A non-life-threatening inquiry has a two-day response time. The Resident Inquiry Line is staffed from 8:00 AM to 4:30 PM on regular business workdays. Owner/agents are required to post a notice containing the toll-free resident issues phone number at every property under THDA's jurisdiction.

Management and Occupancy Reviews are performed each contract year on each property. The standard inspection includes review of files and policies of the management companies. If a property has received a Real Estate Assessment Center (REAC) inspection (physical) since the last THDA review, the Contract Administration staff assesses compliance with the those findings, too.

Another quick-turn around item is the Owner Opt-Out Notice. Property owners / managers are required to notify residents one year in advance whether a property will renew its Section 8 contract at its expiration. When an owner advises THDA they are choosing to "opt-out" of the Section 8 program, THDA has one business day to report the owner's decision to HUD.

More detailed descriptions of IBPS (incentive-based performance standards) are found in the property contracts and on THDA's site: <http://www.thda.org/Programs/s8ca/s8cacvr.html>

Note: If THDA is the mortgage holder on the property, the above functions have been and will continue to be performed by THDA.

For more information, visit THDA web site at <http://www.thda.org>.