DCA
TAX CREDIT COMPLIANCE
1:30PM to 2:45PM

Georgia® Department of
Community Affairs

February 21, 2018

DCA Staff:
Thaphony Dumas, Licelotte Vasquez, Stephen Vlkovic, Tarron Gibbs, and Ilona Nagy

TOPICS OF DISCUSSION

I. Inspection Best Practices

II. Email Submission Process

III. HOME Rents

IV. Utility Allowances

V. Annual Owner Certification

VI. MITAS

VII. HUD Section 811

DCA: Department Alignment

Office of Portfolio Management (OPM)

- ❑ Compliance Department
- ❑ Asset Management

DCA: OPM Staff Changes

- Jannis Shannon started August, 2017
  - Asset Manager

- Denise Farrior started September, 2017
  - Assistant Loan Portfolio Manager/Assistant to Director

OPM: Available Positions

Positions opening soon:

- ❑ Compliance Manager

- ❑ Assistant to the Compliance Manager

- ❑ Asset Manager Program Specialist

  - ▪ LIHTC and HOME experience preferred

  - ▪ Check the DCA Website for positions available

  - ▪ Set yourself a weekly reminder to check for job postings if you are considering a career with DCA

OPM: Compliance Team

- Current Compliance Officers
  - Licolette "Lisa" Vasquez
  - Thaphony Dumas
  - Ebony Gray
  - Henrietta Harmon
  - Joanna Jin
  - Merranda James
  - Supervisor: Patricia Kokotan

Office of Portfolio Management

Asset Management Dept.

Program Specialist

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Compliance Dept.

Program Assistant – Paralegal

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The Inspection Process

Best Practices

and Common Findings

The Inspection Process

Important notes/reminders:

☐ Extension requests for cures

  ❑ Immediately submit requests if additional time is needed to correct non-compliance

☐ DCA is trying to make it easier, a Compliance Officer will let you know if your property qualifies for:

  ❑ Self-certification of L0/L1 category findings, where less or no cures paperwork needs to be submitted for these

The Inspection Process

Important notes/reminders:

- Email subject lines for all submissions must include:
  - GAID# and Project Name
  - Compliance Officer's first/last initials

    i.e. Thaphony Dumas = TD

Physical Inspections: Accessibility Findings

- DCA's 3rd party inspector will note observed accessibility non-compliance

- How to proceed if you believe the noted finding is actually in compliance and you have grounds to dispute it?
  - Dispute the Accessibility findings in writing:
    1) Provide a letter from a qualified licensed Accessibility Consultant with supporting documentation
    2) Provide supporting documentation of codes or regulations to DCA

Physical Inspections: Helpful Tips

Preparation is key!

Do these **before** the DCA Inspection occurs:

- ❑ Prioritize expensive and labor-intensive items, get them done before DCA arrives

- ❑ Obtain a copy of the Uniform Physical Conditions Standards (UPCS) checklist <u>here</u>

- ❑ Review the UPCS protocol

Physical Inspections: Helpful Tips

- Eliminate easy fixes on an <u>ongoing basis</u>
  - When doing other work orders, keep these easy fix items on your maintenance staff's "radar"
  - Examples:
    - Items stored near furnace or HW heater, pull cords, tripping hazards, smoke detector issues, air filters, mold on sills or tile grout, exhaust fans, outlet covers, holes and cracks, expired fire extinguishers, emergency lights, light bulbs, door hinges, locks

Physical Inspections:
Most Commonly Cited Findings

Unit Findings

❑ Blocked egress – be diligent with your residents

Physical Inspections:
Most Commonly Cited Findings

Unit Findings

❑ HVAC filters – change at daylight savings

Physical Inspections:
Most Commonly Cited Findings

Unit Findings

❑ Flooring in poor condition

Physical Inspections:
Most Commonly Cited Findings

Unit Findings

❑ Mold and mildew

Physical Inspections:
Most Commonly Cited Findings

Physical Inspections:
Most Commonly Cited Findings

Unit Findings

Fixing these = less paperwork to DCA

- ❑ Inoperable smoke detectors, exhaust fans, pull cords

- ❑ Refrigerator gaskets

- ❑ Windows, walls, ceilings; cracks, holes, stains

Physical Inspections:
Most Commonly Cited Findings

(*Continued*)

❑ GFCI issues, tripping hazards, exposed wires, open panels, expired fire extinguishers, emergency lights,

❑ Air-filters, mold on sills or tile grout, exhaust fans, outlet covers, light bulbs, door hinges, locks

Physical Inspections:
Most Commonly Cited Findings

Building Findings

❑ Roofing material missing/broken or loose

❑ Breezeway dirty or graffiti ridden

❑ Missing or broken gutters and leaders

❑ Overgrown vegetation/trees obstructing walkways touching buildings

Physical Inspections:
Most Commonly Cited Findings

Building Findings

❑ Missing or inoperable leader splash block/guard

Physical Inspections:
Most Commonly Cited Findings

Building Findings

❑ Paint chipping on railings

Physical Inspections:
Most Commonly Cited Findings

Building Findings

❑ Dirty or stained stairs

Physical Inspections:
Most Commonly Cited Findings

Building Findings

❑ Exposed electrical wiring

❑ Missing unsecure panel box covers

Physical Inspections:
Commonly Cited Findings

Building Findings

❑ Railings or banisters have deteriorated or chipped paint

❑ Roofing material missing/broken/loose

❑ Dirty breezeway or presence of graffiti

Physical Inspections:
Most Commonly Cited Findings

Building Findings

❑ Improperly stored items

Physical Inspections:
Most Commonly Cited Findings

Site and Common Area Findings

❑ Erosion, deteriorated landscaping, etc.

Physical Inspections:
Most Commonly Cited Findings

Site and Common Area Findings

❑ Parking lot surface deteriorated, cracked, oil-stained, sometimes considered tripping hazard

Physical Inspections:
Most Commonly Cited Findings

Site and Common Area Findings

Handicapped parking signs not installed as required

- ❑ Know the required sign heights for *van* spots vs. *regular* spots

- ❑ Faded paint marking accessible parking spaces

NOTE:

- ❑ **Several regulations address signage**

- ❑ **DCA applies the most restrictive regulations**

Physical Inspections:
Most Commonly Cited Findings

Site and Common Area Findings

❑ Handicapped parking sign heights (too low)

Physical Inspections:
Most Commonly Cited Findings

Site and Common Area Findings

- Mailboxes missing covers or locks

- Site perimeter fencing broken/missing

- Amenities, missing/inoperable, not accessible

Physical Inspections:
Best Practices

- ❑ Perform regularly/quarterly scheduled inspections, make the owner aware of your process

- ❑ Look for and spot "common findings"

- ❑ Educate your staff

- ❑ Review past DCA findings letters

- ❑ Take your own notes and pictures

- ❑ Follow with tenants on completed work orders

Physical Inspections:
Best Practices

- ❏ Owners should review your regularly scheduled inspection processes

- ❏ As part of the LURC or LURA agreement, the owner is obligated to keep the property in good condition

- ❏ DCA has commenced new procedures to identify properties in poor condition and add them to a troubled/watch list

Best Practices:
General Info

❏ Obtain a Copy of the IRS 8823 Guide:

https://www.irs.gov/pub/irs-utl/lihc-form8823guide.pdf

❏ Other Helpful Resources:

https://www.irs.gov/businesses/small-businesses-self employed/audit-techniques-guides-atgs

Best Practices:
General Info

Due Diligence

The owner is responsible to comply with all LIHTC and HOME requirements such as:

- ❑ Lease-up, Income and Rent Restrictions, Fair Housing, Accessibility, Maintenance, Codes and Regulations,

- ❑ Funding Agency Notifications, Reporting Requirements, and Records Retention

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DCA Audit Responses

- BEST PRACTICES

- PRE AUDIT

- TENANT FILE SUBMISSION

- CURE RESPONSES

- EXTENSION REQUESTS

- CLOSE OUT

How 8823s Affect Your Property

Property Common Area affects all BINS and ALL units in each BIN

☐ If the Property Common Area non-compliance is uncorrected, then <u>**all BINs and all units in all BINS**</u> are out of compliance until the non-compliance is corrected.

BINs (generally each building) have common area – halls, roofs, lighting…

☐ If the BIN Common Area non-compliance is uncorrected, then <u>**all units in the BIN**</u> are out of compliance until it is corrected.

All units in a BIN must have all non-compliance corrected.

☐ One single uncorrected L1 finding in any unit, puts the **BIN** out of compliance

AUDIT PREPARATION

- Missing Information
  - Property Information Form
  - Owner Contacts
  - Identifying Low Income v. Market Units
  - Set Asides by BIN
  - Applicable Support Services
    - VAWA
    - TENANT SELECTION PLAN - FELONY CONVICTION RESTRICTION

LURC and LURA

The Project LURC/LURA vs. What you *Really* Have in Place

- Amenities

- Support Services

- Unit Mix

- Non-Profit Material Role in Operations

- Common Space

Let's Play by the Rules…

General Inspection Reminders, Helpful Hints, and Info

❑ DCA can give as little as 7 days notice for an inspection, we try to give at least 4 weeks

❑ Generally inspection dates will **not be** rescheduled

❑ When a notice of an inspection is received, it is up to the property staff and owner to be prepared!

Supporting Documents for Eligibility

- Current issues with SS Award Letters

- Income Verification

Submissions

- Where to send submissions?
  - Review.Submissions@dca.ga.gov
  - You should receive a confirmation email

- No Confirmation Email? Let us know!
  - Compliance@dca.ga.gov

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Overview

- HOME Rent Review and Approval Process

- Utility Methodology Change Request

- Annual Owner Certification (AOC) Submission

DCA HOME Rent Review and Approval

- The HOME Program 2013 Final Rule states that all HOME funded rental projects must have their rents reviewed and approved annually by the Participating Jurisdiction (PJ)

- The PJ is often DCA, but *could* be City of Atlanta, DeKalb County, Columbus, Athens-Clarke County, Savannah, Albany, etc.

DCA HOME Rent Review Process

- The HOME Rent Request and Approval form is mandatory for all HOME communities and **must be** submitted to DCA at least once annually

- The HOME Rent Request and Approval form will be made available **after** HUD publishes the annual HOME Rent and Income limits, *because* these are 2 different publications

- Find Georgia's 2017 HOME Income Limits on the HUD Website

- Find Georgia's 2017 HOME Rent Limits on the HUD Website

DCA HOME Rent Review Process

Sample HOME Income Limits for Georgia (2017)

```
U.S. DEPARTMENT OF HUD 04/11/2017
STATE: GEORGIA                          -------------------- 2017 ADJUSTED HOME   INCOME LIMITS --------------------

                      PROGRAM           1 PERSON  2 PERSON  3 PERSON  4 PERSON  5 PERSON  6 PERSON  7 PERSON  8 PERSON

Albany, GA MSA
                      30% LIMITS            9950     11400     12800     14200     15350     16500     17650     18750
                      VERY LOW INCOME      16600     18950     21300     23650     25550     27450     29350     31250
                      60% LIMITS           19920     22740     25560     28380     30660     32940     35220     37500
                      LOW INCOME           26500     30300     34100     37850     40900     43950     46950     50000

Athens-Clarke County, GA MSA
                      30% LIMITS           12600     14400     16200     18000     19450     20900     22350     23800
                      VERY LOW INCOME      21000     24000     27000     30000     32400     34800     37200     39600
                      60% LIMITS           25200     28800     32400     36000     38880     41760     44640     47520
                      LOW INCOME           33600     38400     43200     48000     51850     55700     59550     63400

Atlanta-Sandy Springs-Roswell, GA HUD Metro
                      30% LIMITS           14650     16750     18850     20900     22600     24250     25950     27600
                      VERY LOW INCOME      24400     27900     31400     34850     37650     40450     43250     46050
                      60% LIMITS           29280     33480     37680     41820     45180     48540     51900     55260
                      LOW INCOME           39050     44600     50200     55750     60250     64700     69150     73600

Butts County, GA HUD Metro FMR Area
                      30% LIMITS           13100     14950     16800     18650     20150     21650     23150     24650
                      VERY LOW INCOME      21750     24850     27950     31050     33550     36050     38550     41000
                      60% LIMITS           26100     29820     33540     37260     40260     43260     46260     49200
                      LOW INCOME           34800     39800     44750     49700     53700     57700     61650     65650
```

DCA HOME Rent Review Process

Sample HOME Rent Limits for Georgia (2017)

```
U.S. DEPARTMENT OF HUD 04/2017
STATE: GEORGIA                                    --------------- 2017 HOME PROGRAM RENTS  ----------------------

                             PROGRAM              EFFICIENCY    1 BR    2 BR    3 BR    4 BR    5 BR    6 BR

Albany, GA MSA
                             LOW HOME RENT LIMIT       432       463     556     642     717     791     864
                             HIGH HOME RENT LIMIT      553       593     713     815     890     963    1037
                             For Information Only:
                             FAIR MARKET RENT          579       616     752    1009    1043    1199    1356
                             50% RENT LIMIT            432       463     556     642     717     791     864
                             65% RENT LIMIT            553       593     713     815     890     963    1037

Athens-Clarke County, GA MSA
                             LOW HOME RENT LIMIT       525       562     675     780     870     960    1050
                             HIGH HOME RENT LIMIT      625       696     815    1082    1188    1291    1396
                             For Information Only:
                             FAIR MARKET RENT          625       696     815    1107    1413    1625    1837
                             50% RENT LIMIT            525       562     675     780     870     960    1050
                             65% RENT LIMIT            731       785     944    1082    1188    1291    1396

Atlanta-Sandy Springs-Roswell, GA HUD Metro
                             LOW HOME RENT LIMIT       610       653     785     906    1011    1116    1219
                             HIGH HOME RENT LIMIT      818       858     990    1260    1386    1511    1635
                             For Information Only:
                             FAIR MARKET RENT          818       858     990    1299    1599    1839    2079
                             50% RENT LIMIT            610       653     785     906    1011    1116    1219
                             65% RENT LIMIT            851       913    1098    1260    1386    1511    1635

Butts County, GA HUD Metro FMR Area
                             LOW HOME RENT LIMIT       566       605     728     841     938    1036    1132
                             HIGH HOME RENT LIMIT      601       605     804    1006    1234    1342    1452
                             For Information Only:
                             FAIR MARKET RENT          601       605     804    1006    1270    1461    1651
                             50% RENT LIMIT            566       606     728     841     938    1036    1132
                             65% RENT LIMIT            759       814     979    1124    1234    1342    1452
```

HOME Rent Limits

- HUD-published High HOME and Low HOME rent will be considered in the rent determination for HOME designated units

- For HOME properties layered with Tax Credits
  - The *lesser* of the applicable gross rent for each program will be the approved rent for HOME designated units.

- HOME units with Tax Credits cannot exceed 60% AMI for the term of the affordability period.

DCA HOME Requirements

- When determining the rent for your HOME community, DCA reviews the following document:
  - Land Use Restriction Agreement (LURA) for HOME
  - Specifically:
    - Number of HOME designated units (Exhibit B in the LURA)
    - Total amount in HOME funds allocated (Rehab-only)
    - Affordability Period

DCA HOME Requirements

- When determining the rent for your HOME community, DCA reviews the following document:
  - Land Use Restrictive Covenant (LURC) for Tax Credit
  - Specifically:
    - Set-Asides – Are there any deeper rent restrictions required?
    - Rent Limitations

HOME Rent Review Submission

- DCA will send out an e-mail notifying owners of:
  - HOME funded properties
  - Where to access the HOME rent form and
  - Deadlines to submit for review and approval by DCA

HOME Rent Review Submissions

- ADDITIONAL HOME TRAINING
  - Can be found on the DCA Website After February 2018
    - Webinars
    - Slideshows

Utility Allowance Methodology Change

- There are 4 Utility Allowance Methods permitted by DCA:
  - Utility Company Estimate (UCE)
  - Energy Consumption or Engineered Model (ECM)
  - HUD Utility Schedule Model
  - PHA (The DCA in 149 Counties)

Permissible Utility Allowance Methodology

- **Public Housing Authority Estimates**
  - The PHA UA is applicable to all Tax Credit properties and HOME assisted properties

    committed before August 23, 2013

Utility Allowance Methodology Change

- You can locate the DCA Utility Allowance Schedule on the DCA Website

- If your project is located in a county where the Section 8 program is administered by the local housing authority you MUST use that housing authority Utility Allowance or use a Project Specific Utility Allowance

- Therefore, **only 10 Counties** that may use the local housing authority Utility Allowance

- All others must use the DCA UA or a project specific UA

Utility Allowance Methodology Change

- For HOME assisted properties **committed after August 23, 2013,** UA must be based upon the specific utilities used by the project

Utility Allowance Methodology Change

Utility Allowance Schedule
Regional Offices - Effective January 1, 2017
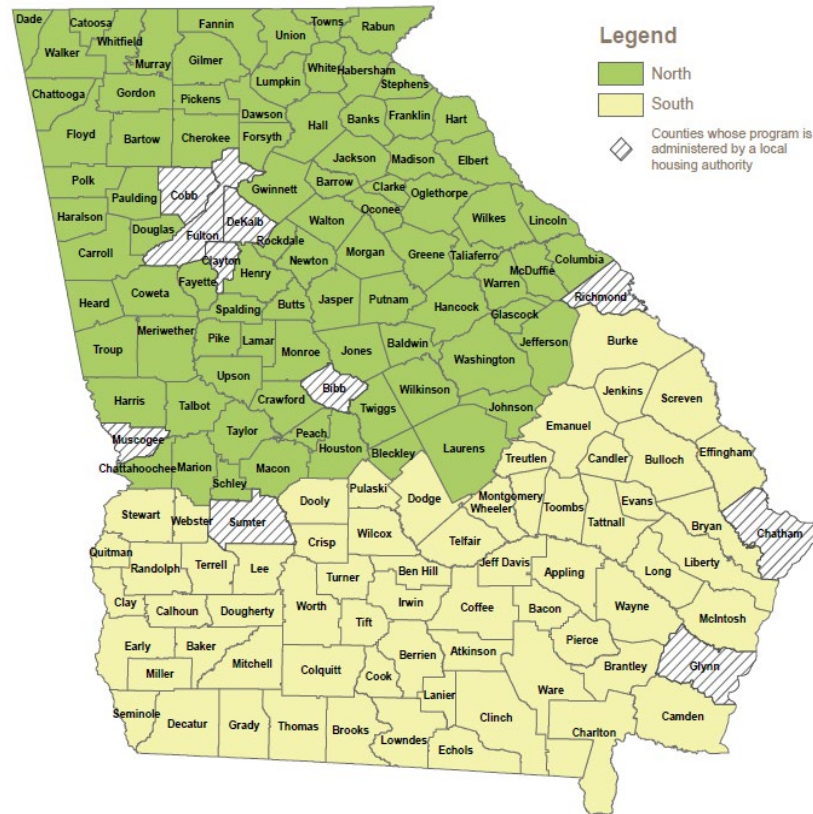
Permissible Utility Allowance Methodology

- **HUD Utility Schedule Model (HUSM)** - The HUSM enables users to calculate utility schedules using a project specific methodology by entering the property housing type, and utility rate information (tariffs) for the property location.

- This model is based on climate and survey information from the U. S. Energy Information Administration of the Department of Energy

Permissible Utility Allowance Methodology

- HUD Utility Schedule Model - Training Video
  - https://www.hudexchange.info/trainings/courses/hud-utility-schedule-model-calculating-utility-allowances-for-home-webinar1/

Permissible Utility Allowance Methodology

- **Energy Consumption or Engineered Model (ECM**) (26 CFR 1.42-10(b)(4)(E)

- DCA may approve a UA based on an energy and water and sewage consumption and analysis model (ECM) prepared by a properly licensed engineer, or qualified professional

- The owner and qualified professional must also certify that the model complies with all requirements and takes into account specific factors including, but not limited to, unit size, building orientation, design and materials, mechanical systems, appliances, and characteristics of the building location.

Permissible Utility Allowance Methodology

- **Utility Company Estimate (UCE)** (26 CFR 1.42-10(b) (4) (B) DCA may approve a UA based on estimates obtained from a local utility company for each of the utilities used in the project and paid for by the resident

- Required Documents for UCE
  - The property estimate of monthly utilities must be provided on the utility company letterhead and dated and signed by a representative of the utility company for each bedroom size and for the property location.

Submission Request to Change the Utility Allowance Methodology

- Requests must include:
  - Georgia Project ID
  - Project name and
  - "UAChng" in the email subject line

Submission Request to Change the Utility Allowance Methodology

- EMAIL TO: **Review.submissions@dca.ga.gov**
  - Example Subject Line: 15-025ABCUAChng
  - Email Request Attachments
  - Each request for a change in utility allowance methodology must include:
    - 1. Cover letter w/current & proposed UA Methodology
    - 2. 90-day Notice to the residents
    - 3. Utility allowance schedule or report
    - 4. Supporting documentation as required

Submission Request to Change the Utility Allowance Methodology

More detailed information can be found on the DCA website:

- https://dca.ga.gov/safe-affordable-housing/rental-housing-development/compliance-monitoring

- Click *"Utility Allowances"* Icon
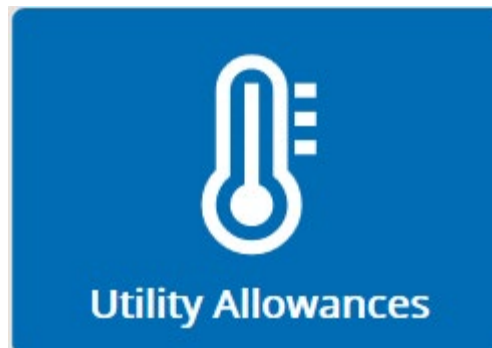
Annual Owner Certification

- Internal Revenue Service (IRS) Monitoring Regulations require all owners of Housing Credit Properties submit an owner certification (AOC) annually to the Tax Credit Allocating Agency.

- Updates for 2017 are posted on our website

- AOC Jotform online completion and submission

- What goes on the Certification?
  - HOME only projects must complete the HOME AOC
  - Properties with Tax Credits, and other funding must complete the AOC Tax Credit with blended funding.

- AOC Deadline- March 31, 2018

- Failure to submit the AOC and/or required documentation detailing the status of the community by submission due date will result in a notice of non-compliance 8823 to the IRS.

Annual Owner Certification

UPDATES

- New Questions to Appear on the AOC
  - VAWA
  - Fair Housing
    - Criminal History and Tenant Selection

Annual Owner Certification

- Website

  - Visit our site https://dca.ga.gov/safe-affordable-housing/rental-housing-development/compliance-monitoring
  - Click "AOC" Icon

Annual Owner Certification (AOC)

TARRON GIBBS-POWELL

Mitas Administrator

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For Mitas questions and problems:

mitas@dca.ga.gov

MITAS Overview

- The MITAS system is a web based property management system used by DCA to compile and monitor tenant and building data for properties receiving funding through DCA

- Because of a congressional mandate through the Housing and Economic Recovery Act (HERA), certain tenant data (including but not limited to ethnic and demographic data) has to be submitted to HUD on an annual basis. **Thus the use of MITAS is mandatory**

MITAS Deadlines and Requirements

- The monthly deadline for updating previous month's data is the **10th of each month**. Updates include tenant data, move-ins, recertifications, and move-outs

- Properties must be setup in MITAS within 30 days of the first building placed in service. This is accomplished by completing the Mitas Upload Spreadsheet

- Once a property is setup in Mitas, all tenant data must be input into Mitas either manually or uploaded using an affordable housing software. Do not use the Mitas upload spreadsheet for uploading tenant data. There is a master user for password reset.

- For Tax Credit properties, the tenant data must be input into Mitas within 30 days of lease-up (preferably input as unit is leased).

MITAS Deadlines and Requirements

- For <u>HOME</u> properties, the property must be leased and occupied within 6 months of the property placed in service; thus the tenant data must be input into Mitas within 6 months of lease-up.

- Mitas must be updated during the extended use period.

- For password resets, please contact your company's Mitas Master User

- Run reports (at least monthly) to see if there are any compliance issues. (Current Tenant Info Report - Mitas rent roll)

- Mitas training is conducted in April, August and December. Notifications are sent out via email blasts. The training is primarily for new users and new management companies not familiar with Mitas

Procedures for Change in Management and/or Ownership

- Owner must notify DCA at least 30 days prior to the effective date of the management transfer by completing the JotForm request on DCA's public website

- If the management company has no affordable property management experience in Georgia or other states, the company must also complete the DCA Performance Workbook. Requests will be finalized within 30 days of submission

- All qualified management companies will be listed on the DCA public website and updated regularly with additions and removals

Procedures for Change in Management and/or Ownership

- Before taking over management of a property, company should make sure property is DCA compliant

- Be sure to:
  - Make sure all tenant files are available on-site
  - Make sure Mitas is up to date
  - Make sure there are no outstanding compliance issues (i.e. – Open 8823s, Open Findings, etc.)

MITAS Info and Reminders

MITAS issues and concerns must be addressed to: MITAS@dca.ga.gov only

- Please **do not send or copy** MITAS inquiry emails to any individual staff emails or to Compliance@dca.ga.gov or Review.Submissions@dca.ga.gov

- Each email address is reserved for completely different and specific compliance issues

- Sign up to receive DCA's Email blasts for updates, important info and trainings at Compliance@dca.ga.gov. Subject line: Add to Email Blast

MITAS Info and Reminders

□ For more information visit our website

□ https://dca.ga.gov/safe-affordable-housing/rental-housing-development/compliance-monitoring

□ Click "*MITAS Compliance*" Icon

ILONA NAGY

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Overview

- The HUD 811/LIHTC Connection

- What is HUD 811?

- The Property Process

- Participant Eligibility

- The Provider Process

- Final Thoughts

The HUD 811/LIHTC Connection

- Qualified Allocation Plan Bonus Points

- A part of application going back to 2011

- Enter into contracts with new and existing properties

- Contract for a small percentage of total units:
  - 2011 & 2012 – 5%
  - 2013 & 2014 – 15%
  - 2015, 2016 & 2017 – 10%

State of GA HUD 811 Program

- HUD 811 enables the state to expand its efforts to transition individuals from institutional to integrated, community-based settings
- HUD awarded Georgia $14.3 million for the program
- It is a cooperative effort at the federal and state levels:
  - Housing and Urban Development (HUD)
  - Health and Human Services (HHS)
  - Departments of Community Affairs (DCA)
  - Department of Community Health (DCH)
  - Department of Behavioral Health and Developmental Disabilities (DBHDD)

State of GA HUD 811 Program

- HUD 811 provides long-term project-based rental assistance to persons with disabilities who are a part of the Department of Justice Settlement Agreement and Medicaid Programming

- This is <u>not</u> a portable voucher system

- Furthers DCA's commitment to provide integrated housing opportunities with support services to extremely low income persons with disabilities and their families

- Housing units are attached to new and existing tax-credit apartment developments around the state

State of GA HUD 811 Program

- Who – Private sector and non-profit developers and organizations

- What – Provide up to 485 units of subsidized housing

- When – We are filling units now until September 30, 2021

- Where – Throughout the State of Georgia

- Why – To house the most vulnerable within our population – extremely low income persons with disabilities

Remember, HUD 811 is comprised of the three "P's"

Properties, Providers & Participants

Current Property Contracts

QAP Number	MITAS	Property Name	City	County	Management Company	1 BR	2BR	3BR
2014-052	224474	AL Miller Village	Macon	Bibb	Fairway Management	10	1	
2011-044	223378	Brentwood Place	Forsyth	Monroe	Tower Management	1	1	2
2014-042	100163	Centennial Place 2	Atlanta	Fulton	Integral Property Management	16		
2013-001	224145	Forest Mill	West Point	Troup	Gateway Management	4	4	
2013-010	224144	Heather Highlands	Franklin Springs	Franklin	Olympia Management	2	4	
2011-020	223313	Heritage Vista	Milledgeville	Baldwin	Gateway Management	2	4	
2011-005	223634	Ivywood Park	Smyrna	Cobb	LEDIC Management Group		5	
2015-052		Live Oak Villas	Midway	Liberty	Fairway Management	4	2	
2015-012		Manor at Indian Creek	Stone Mtn	DeKalb	LEDIC Management Group	6	3	
2013-052	224477	Mary-Leila Lofts	Greensboro	Greene	Fairway Management	4	6	1
2014-006	224497	North Grove	Athens	Clarke	LEDIC Management Group	11		
2013-037	224184	Oaks at Park Pointe	Griffin	Spalding	Alco Management		11	
2014-023	224498	Oliver Place	Perry	Houston	Boyd Management	11		
2013-006	224301	Reserve at Hampton	Fort Valley	Peach	Vantage Management	6	3	
2014-012	224381	Royal Oaks/Liberty Place	Hinesville	Liberty	Royal American	11		
2012-008	223549	Savannah Gardens Phase IV	Savannah	Chatham	Mercy Housing	5	1	
2013-009	224335	Savannah Gardens Phase V	Savannah	Chatham	Mercy Housing	6	5	
2014-004	224511	Sawmill Landing	Pembroke	Bryan	Fairway Management	9		
2014-033	224510	Southwestern Estates	Americus	Sumter	Fairway Management	8	2	
2012-001	223546	Stony Ridge	Hogansville	Troup	Gateway Management	2	5	
2015-006	224490	The Grove at Oakmont	Waycross	Ware	Vantage Management	2	2	
2012-007	223548	The View at Sugarloaf Parkway (Tanglewood Heights)	Lawrenceville	Gwinnett	LEDIC Management Group		7	
		22 Properties	**21 Cities**	**19 Counties**	**11 Management Companies**	**120**	**66**	**3**

The Property Process

- ❑ Contracting
  - ❑ 20 yr Rental Assistance Contract ("RAC")
  - ❑ 30 year Use Restriction
  - ❑ HUD 811 Model Lease is a requirement
    - ▪ https://www.hudexchange.info/resource/4016/section-811-pra-demonstration-cooperative-agreement-exhibit-11-model-lease/
  - ❑ RAC is executed by DCA and owner
  - ❑ Filed with HUD

The Property Process

- When the Rental Assistance Contract (RAC) is complete, TRACs training is arranged and provided <u>on-site or via webinar </u>by Navigate Affordable Housing Inc for billing procedures

- The Property notifies DCA of vacancies via email to 811vacancy@dca.ga.gov

- The program waitlist system and all client referrals to properties are operated through the HUD 811 DCA Office

The Property Process

- Governing and Oversight
  - HUD 4350.3 REV – 1, Change 4
  - HUD 811 Lease with specific House Rules Update
  - DCA HUD 811 Program Selection Plan
  - DCA HUD 811 Tenant Selection Plan
  - MITAS Entry with special HUD 811 indication
  - HUD Systems
    - iREMS (Integrated Real Estate Management System)
    - Enterprise Income Verification (EIV) System
    - TRACS (Tenant Rental Assistance Certification System)

The Property Process

- If the property is leasing up, 60-day timeframe
  - Pre-Lease contract units are in a separate block from your general units to fill
- 10 business days are allowed for already leased up locations with available units
- If more time is needed, HUD 811 will pay 80% of rent (net of the PHA utility allowance) for up to 60 days to hold the unit for vacancy loss

The Property Process

- Every potential tenant is subject to application requirements depending on the property. Some of the possible barriers include:
    - Eviction History
    - Credit History
    - Criminal Background Check Issues
- Therefore, advocacy and/or reasonable accommodation may be requested on the participants behalf by the service provider or DCA to promote housing approval

Participant Eligibility

- Participant must be **18-61 years old** at the time of move in

- Participant must be at or below **30% Area Median Income (Extremely Low Income)** according to HUD Section 8 Income Guidelines (zero income tenants eligible) – EIV Verified

- Provide proof of citizenship or eligible immigration status

- DCA Criminal Background Requirements (for entire household)
  - Never been convicted of producing methamphetamine on the premises of federally-assisted housing
  - Is not subject to a life-time registration requirement under a State sex offender registration program

Participant Eligibility

- Establish **Disability Status**
- Participants must be assessed by the Provider, cleared to live independently in a community environment and meet the specific disability criteria:
  - Physically Disabled (DCH Providers)
    - Currently in a nursing home or long term care facility (DCH) in the Money Follows the Person Program
  - Mentally Disabled (DBHDD Providers)
    - Participants must meet Settlement Agreement Criteria
      - Institutional Incidents
      - Chronically homeless

Participant Eligibility

- The participant must be enrolled in one of these support services programs:
  - DCH
    - Money Follows the Person
  - DBHDD
    - State Contracted Assertive Community Treatment (ACT)
    - Community Support Team (CST) Services
    - Intensive Case Management (ICM)
    - Case Management (CM)

Participant's File

- To ensure compliance, HUD 811 files must include:
  - State Issued Photo Identification(s) for all adults in the household
  - Social Security Card(s) for entire household
  - Disability verification for Head of Household
  - Income Verification
  - EIV Results
  - Completed Form 50059 Draft
  - Tenant Confirmation Form signed by DCA Staff

The Provider Process

- HUD 811 was created with **Support Services** in mind

- DCA's HUD 811 Program works with:

  - DCH/MFP and their local service providers
  - DBHDD and their local service providers

- Our goal is to have strong communication between Property Staff, Provider Staff, the Participant, and DCA

- Open communication between all entities is important to catch any early signs of challenges

The Provider Process

- Support Services include:
  - Case management
  - Transition services including some financial support in the form of deposits, move-in costs and expenses
  - Life skills coaching
  - Linkages to additional resources if needed

Final Thoughts

- Property Support Webinars began in February 7, 2018 – They will be monthly

- Technical Assistance Topics include:
  - Participant Eligibility Review
  - Vacancy Procedure Training
  - Compliance Procedures

- It will be a platform for discussion and address challenges you may be facing with the program

- Sign-up at the back of the room after the presentation or email ilona.nagy@dca.ga.gov

Final Thoughts

- It is a demonstration project – therefore, the processes may seem flexible at times to ensure we find the right fit within HUD Guidelines

- HUD 811 offers consistent occupancy and on-time rent

- Built in support and agency services from DCH, DBHDD and DCA to meet any unforeseen needs that may unfold

- Assisting and supporting extremely low-income, disabled individuals, one of the most vulnerable populations in the state

QUESTIONS?

Georgia® Department of Community Affairs

ONLINE RESOURCES

- Compliance Monitoring of Physical Inspections:
  - Form 8823 (with instructions)
  - HUD UPCS Inspection Checklist and Inspectable Areas
  - General Tax Credit Information
  - HUD UPCS Dictionary of Deficiency Definitions
  - HUD Uniform Physical Conditions Standards Final Rule

ONLINE RESOURCES

HUD Annual HOME Rent and Income Limits:

Georgia's 2017 HOME Income Limits

Georgia's 2017 HOME Rent Limits

Utility Allowances:

DCA Published Annual Utility Allowances

DCA Request for Change in Utility Allowance Methodology

ONLINE RESOURCES

- MITAS and Management Changes:
  - [Management Change and MITAS Reassignment](#)
  - [Add Me to the Compliance Email List](#)
  - [Understanding Whom the LIHTC Programs Serves: Tenants in LIHTC Units as of 12/31/2014](#)

- HUD 811 Resources:
  - [Section 811 Page on the DCA Website](#)
  - [HUD Information](#)
  - [Technical Assistance Collaborative (Federally Contracted HUD 811 TA)](#)

DCA CONTACTS

- Submitting Documents and Forms:
  - Review.Submissions@dca.ga.gov

- Questions
  - Compliance@dca.ga.gov

DCA WEBSITE

☐ Visit the DCA **Compliance** Webpage

DCA WEBSITE

☐ Visit the DCA [Asset Management](#) Webpage