HOME RENTS RELEASED!

The 2018 HOME Rent Limits have been posted here to the HUD Exchange website, with an effective date of June 1, 2018. The posted rent limits are the maximum amounts that may be charged for HOME assisted rental units. The 2017 rent limits were effective June 15, 2017.

You can sign up here to be included on the HUD Exchange Mailing list, to receive messages for any updates on income limits and the HOME program.

IMPORTANT TO NOTE:

*HOME grantees may not use rent limits until the effective date of the rent limits each year.

*If there was a decrease in the rent limits for your property, the rent charged and accepted after June 1, 2018, must be below the published rent limits.

*The HOME annual rent review template with the 2018 program limits will be posted on the DCA website by July 10, 2018.

Utility Allowance Map Notification

It has come to our attention that a DCA Housing Assistance Division regional contact map posted on the DCA website has been used by some property managers instead of the DCA Utility Allowance Map. This may have caused some properties (especially those located in middle Georgia) to utilize the wrong utility allowance for tax credit only properties.

If you have a property in middle Georgia, please affirm that the correct region and corresponding utility allowances were used and that tenants have not been overcharged the maximum allowable rent.

The following is guidance from the IRS 8823 Audit Guide regarding the steps that must be taken in the event it is determined that this caused a tenant to be overcharged. It is critical that any mistake must be corrected before a DCA file audit is undertaken in order to minimize a significant compliance finding. DCA is not modifying its audit schedule at this time.
**Guidance from the 8823 Audit Guide**

**Over-Charged Rent**

Once a unit is determined to be out of compliance with the rent limits, the unit ceases to be a low-income unit for the remainder of the owner's tax year. A unit is back in compliance on the first day of the owner's next tax year if the rent charged on a monthly basis does not exceed the limit. An owner cannot avoid the disallowance of the LIHC by rebating excess rent or fees to the affected tenants.

NOTE: State agencies should be reviewing the most current utility allowance computations. In the example above, had the owner recognized the noncompliance issue and reviewed the utility allowances before the state agency contacted them to schedule its review, then the owner would have been in compliance at the time of the review.

8823 Audit Guide, 18-11

*Reporting Noncompliance*  
*Noncompliance should be reported whenever the rent paid by the tenant plus the correct utility allowance exceed the maximum gross rent limit.  

Example 1: Increased Utility Allowance Causes Rent to Exceed Limit  
The maximum gross rent limit is $500, but the owner charged $415 rent and a $50 utility allowance for a total of $465. The utility allowance increases to $95 the next year. The owner should reduce the rent at least $10; i.e., $405 + $95 = $500. However, the owner does not make the adjustment to the rent and is out of compliance; i.e., the low-income units are not rent restricted. The owner is charging $415 rent and a $95 utility allowance for a total of $410, which is more than gross rent limit of $500.

Noncompliance should not be reported if: 1. Regardless of the error, correcting the utility allowance does not cause the rent to exceed the gross rent limit, or 2. Noncompliance is corrected before the owner is notified of the state agency's review.

8823 Audit Guide, 18-13

**FDIC Limits Posted**

Income and Rent limits for 2018 have been posted to the FDIC Affordable Housing Program website. The effective date of the limits is 04/30/18. Please visit the FDIC site [here](#) to review your limits and contact [Compliance@dca.ga.gov](mailto:Compliance@dca.ga.gov) with any questions concerning your limits.

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**2018 Income Limits, LEP Guidelines and Utility Allowance Map**

**2018 HUD INCOME LIMITS**

HUD has released the 2018 Income Limits, effective April 1, 2018. Per IRS Revenue Rule 94-57, income limits must be implemented no later than 45 days from the effective date, making the deadline to implement income limits May 16, 2018.

**Multifamily Tax Subsidy Projects (MTSPs)**

MTSPs are projects funded with tax credits authorized under Section 42 of the Internal Revenue Code (IRC) and projects financed with tax exempt housing bonds issued to provide qualified residential rental development under IRC Section 142. These projects should use the Income Limits found [here](#) on HUD's website.
LIMITED ENGLISH PROFICIENCY (LEP) GUIDELINES
On September 15, 2016, HUD released the Office of General Counsel Guidance on Fair Housing Act Protections for Persons with Limited English Proficiency memorandum, providing guidance on how the Fair Housing Act applies to claims of housing discrimination brought by people because they do not speak, read, or write English proficiently. The DCA encourages its partners to review this guidance and visit the HUD LEP Frequently Asked Questions (FAQS) on the Final LEP Guidance.

UTILITY ALLOWANCE MAP
PLEASE NOTE: The 2017 utility allowance map has been updated on the DCA Website. Please find the map here and be sure to check that you are using the most current map for your utility allowances.

DCA Policy Updates

Document Notarization
The DCA will no longer require that documents signed by tenants for the LIHTC program be notarized. The DCA will accept notarized documents, but will no longer require residents in the program to submit a notary signature on the forms and will not require notary signatures on any forms in the file audit process. Please email Compliance@dca.ga.gov with any questions.

New Blast Schedule
To reduce the email notifications on your end, the DCA will send out the Compliance Blast only twice a month. In the future, look out for our updates regarding additions and changes to our Compliance team, as we strive to provide familiar names and faces to better assist you with your Compliance questions and concerns. More information to come!

UPCS Owner Self-Certification of Deficiencies
Properties notified of eligibility in the 'Findings Notice' may self-certify UPCS level 1 deficiencies and other deficiencies without a rating in the UPCS dictionary (level 0), instead of providing documentation of the cures.

DCA Accessibility Dispute Policy
This policy covers how to handle disputed accessibility findings and provides a description of acceptable documents in submitting a response to close noncompliance findings.

DCA UA Methodology Change Request Policy
This policy covers the approved utility allowance methodology sources, required qualifications for professionals preparing utility allowance studies, and instructions on how to submit the request to DCA for review and approval.

The guidance can be found on our website under Compliance Monitoring, then select the 'Manuals' icon.

If you have questions, please direct emails to compliance@dca.ga.gov.
Listing on GeorgiaHousingSearch.org is completely free and can be done online at GeorgiaHousingSearch.org or via a toll-free call center at 877-428-8844. For GeorgiaHousingSearch.org questions, please call 877-428-8844 (quickest and easiest!) or register online at [www.GeorgiaHousingSearch.org](http://www.GeorgiaHousingSearch.org).

**Previous Notifications**

**Placed In Service Notification to DCA**

DCA should be notified using the Placed In Service Notification no later than 30 days after the first building in your development is placed in service. The required notification form can be found on the [Compliance Monitoring](http://www.ComplianceMonitoring.com) site, select the "Form" icon.

The form includes instructions for setting the development up in MITAS and obtaining initial access to MITAS for the property. For questions about the form or set up, send your email to compliance@dca.ga.gov.

**Notice of Casualty Loss, Management and Mitas Change Requests, & Notice of Ending Recertification**

Notifying DCA Compliance has never been Easier!

Owners and managers may now easily submit requests for Management and Mitas Changes, Ending Recertification, and Notice of Casualty Loss, by using our electronic notification service on the main Compliance Web page. Simply go to the [Compliance Guides](http://www.ComplianceGuides.com) and look under Electronic Notifications and Reporting.

**Disparate Impact & Use of Arrest Records in Tenant Selection**

We encourage owners and managers to review their tenant selection plans and screening processes in light of the new guidance from HUD.

A link to a webinar on Disparate Impact and its affect on selection criteria has been posted on the DCA website, along with the ancillary HUD documents.

You may find the documents and links here: [Compliance Guides](http://www.ComplianceGuides.com)
The Georgia Department of Community Affairs is committed to providing all persons with equal access to its services, programs, activities, education and employment regardless of race, color, national origin, religion, sex, familial status, or disability.

For reasonable accommodations or alternate format information please contact compliance@dca.ga.gov