



Georgia[®] Department of 

Community Affairs

2/12/2020

Office of Portfolio Management

DCA Updates

- Staffing Updates
- What's New
- News and Policy Updates
- Asset Management
- Compliance Reminders



New Staff

- **Director of OPM**
 - Donna Tyler (donna.tyler@dca.ga.gov)
- **Interim Compliance Manager**
 - Tzwanza Taylor (tzwanza.taylor@dca.ga.gov)
- **Compliance Officers**
 - Imari Blackwell: Pod A
 - Valarie Brizuela: Pod B
 - Daidra Manning: Pod C
- **Asset Managers**
 - Tricia Manning: Pod A
 - Lakeshia Clements: Pod B



New Staff

- **Program Support**
 - Rolisha Handy (rolisha.handy@dca.ga.gov)
 - Dezire Jackson (mitas@dca.ga.gov)
 - Hawaly Dicko (hawaly.dicko@dca.ga.gov)



What's New

- **Annual Owner Certification**
 - Due March 2, 2020
 - Reporting period January 1-December 31, 2019
 - Supporting docs must be attached
 - Owner must sign
- **Welcome to OPM**
 - **NEW!** Pipeline Administrator (What, Why, How, When)

Tarron Gibbs

tarron.gibbs@dca.ga.gov



Welcome to OPM

WELCOME TO DCA PORTFOLIO MANAGEMENT

Where we are partnering for success



The following information lists the commitments, agreements, and designations for this project that you as the owner(s) have made with DCA. Please take the time to review this summary for accuracy and be sure to share this information with all project managers and compliance departments that will oversee the file audits and physical inspections in the years to come.



Atlanta, Georgia

GA ID: 1234-5678

PROJECT COUNTY:

FULTON

FUNDING:

HOME, LIHTC

NUMBER OF UNITS:

223

NUMBER OF MARKET UNITS:

20

What's New

- **New! First Year File Reviews (QAP Requirement)**
 - DCA will require a first-year tenant file review and issuance of a clearance letter from an industry recognized HTC training and file review specialist.
 - Each first-year file with all tax credit qualification documents must be reviewed by a specialist and a summary of their findings must be submitted to DCA within 18 months from the date of the first building being placed in service.



What's New

- **New!** First Year File Reviews (QAP Requirement)
 - Failure to submit the findings will impact future scoring as applicable under the Compliance Performance section for 9% tax credit applications submitted by the owner and the property's ability to be issued a Recertification Waiver (allowing the Ownership Entity to cease full annual recertifications and process tenant self certifications for subsequent annual recertifications for 100% HTC properties).



What's New

- **Electronic Signature**

- **Notification vs Approval** – Initially the owner must notify DCA prior to implementing the use of electronic signatures..
- **Owner/Management Policy** - There must be a policy and procedure provided for the use of electronic signatures with the initial notification request.
- **DCA Request for Documents** - Hard copies of the tenant files must be provided to DCA upon request.
- **File Format** - All tenant files must be made available in a format compatible with DCA software.
- **Hard Copies** - The company policy must provide an accommodation to residents who want to review and sign hard copies of documents.



What's New

- **New Rent Increase Policy**
 - Effective 12/1/2018, proposed rent increases that exceed 5% of the net tenant rent for in-place tenants will require 120 days' written notification of the increase to the tenant, with the option for the tenant to terminate the lease contract with no penalty or fees
 - **Effective 1/1/2020**, only (1) rent increase per recertification period may be implemented for each in-place tenant



News and Policy Updates

- **HUD UNIT TYPE DEFINITION CHANGES**
 - Single Family Detached (one family under one roof)
 - Semi-Detached (duplex, attached on one side)
 - Rowhouse/Townhouse (attached on two sides)
 - Low-rise apartment building (4 stories or fewer)
 - High-rise apartment building (5 stories or more)
 - Manufactured Home (mobile home)



News and Policy Updates

- **Non-dated SSA Letters**

- Annual award letters provided by an applicant can be utilized to verify gross Social Security benefits for the applicable year



- **2020 COLA Increase**

- The 2020 Cost-of-Living Adjustment (COLA) was announced on October 10th, 2019. All Social Security and Veteran benefit recipients will receive a 1.6% increase on their benefits beginning with their January 2020 payment
- This 1.6% increase will need to be added into their benefit amounts for all move-ins or recertifications after this date

News and Policy Updates

- **Fair Housing for People with Criminal Backgrounds**
 - HUD announced new guidance for taking adverse actions based on an individual's criminal history
 - Criminal background screening policies have the potential to have an impermissible disparate impact on protected groups
 - Caution: blanket policy to deny applications
 - Policies must be tailored to serve the housing provider's substantial, legitimate, nondiscriminatory interest and take into consideration such as type of crime and length of time since conviction



News and Policy Updates

- **IRS Guidance on Income Limits for Average Income (Revenue Ruling 2020-04)**
 - The guidance follows the same formula used to calculate the 60% limit from the 50% limit to calculate all of the other income limits. Income limits are to be calculated as follows:
 - 20% income limit= 40% of HUD's VLI limit
 - 30% income limit= 60% of HUD's VLI limit
 - 40% income limit= 80% of HUD's VLI limit
 - 50% income limit= HUD's VLI limit
 - 60% income limit= 120% of HUD's VLI limit
 - 70% income limit= 140% of HUD's VLI limit
 - 80% income limit= 160% of HUD's VLI limit



Inspection Reminders

- Notice of Inspection

[1999-058 Columbia Colony Senior]

REVIEW TYPE:

<input checked="" type="checkbox"/>	PHYSICAL INSPECTION	<input checked="" type="checkbox"/>	FILE REVIEW
<input checked="" type="checkbox"/>	EXTENDED USE INSPECTION	<input type="checkbox"/>	RE-INSPECTION

FUNDING:

<input type="checkbox"/>	LIHTC	<input checked="" type="checkbox"/>	HOME
<input type="checkbox"/>	FDIC	<input type="checkbox"/>	NSP
<input type="checkbox"/>	TCAP	<input type="checkbox"/>	HOUSING TRUST FUND
<input type="checkbox"/>	EXCHANGE	<input type="checkbox"/>	KRESGE
<input type="checkbox"/>	USDA	<input type="checkbox"/>	OTHER:

DATE & TIME OF PHYSICAL INSPECTION: February 10, 2020 @ 10:00AM

PRE-AUDIT INFO SUBMISSION DEADLINE: January 31, 2020

SUBJECT LINE FOR PRE-AUDIT DOCS: IBlackwell 1999-058 Columbia Colony Senior Pre-Audit

TENANT FILES SUBMISSION DEADLINE: February 7, 2020

EMAIL TO SUBMIT PRE-AUDIT DOCS: opmpoda@dca.ga.gov

Inspection Reminders

- Pre-Audit

PRELIMINARY AUDIT SUBMISSION COVER PAGE

[INCLUDE THIS COVER AS PAGE 1 OF PRE-AUDIT SUBMISSIONS]

PROJECT NAME: B. Place

GA ID: ####-147

- PROPERTY INFORMATION FORM
- TENANT LEASE
- RENT ROLL
- RENT SOURCES
- ACCESSIBLE UNIT LIST
- DCA UTILITY ALLOWANCE WORKSHEET
- DCA BUILDING INFORMATION FORM
















Inspection Reminders

- Pre-Audit Submission Requirements

 ACCESSIBLE UNIT LIST	1/28/2020 4:42 PM	Adobe Acrobat D...	6 KB
 AFFIRMATIVE FAIR HOUSING MARKETIN...	1/28/2020 4:45 PM	Adobe Acrobat D...	6 KB
 DCA BUILDING INFORMATION FORM	1/28/2020 4:43 PM	Adobe Acrobat D...	6 KB
 DCA UTILITY ALLOWANCE WORKSHEET	1/28/2020 4:43 PM	Adobe Acrobat D...	6 KB
 RENT ROLL	1/28/2020 4:41 PM	Adobe Acrobat D...	6 KB
 RENT SOURCES	1/28/2020 4:42 PM	Adobe Acrobat D...	6 KB
 TENANT LEASE	1/28/2020 4:41 PM	Adobe Acrobat D...	6 KB
 TENANT SELECTION CRITERIA	1/28/2020 4:45 PM	Adobe Acrobat D...	6 KB

Important Reminders

- Tenant File Submission Requirements

 BIN 1 UNIT 1B	5/15/2019 10:47 AM	Adobe Acrobat D...	3,119 KB
 BIN 2 UNIT 2A	5/15/2019 10:47 AM	Adobe Acrobat D...	3,245 KB
 BIN 3 UNIT 3B	5/15/2019 10:47 AM	Adobe Acrobat D...	2,099 KB
 BIN 4 UNIT 4	5/15/2019 10:47 AM	Adobe Acrobat D...	2,236 KB
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 BIN 6 UNIT 6	5/15/2019 10:47 AM	Adobe Acrobat D...	2,372 KB
 BIN 7 UNIT 7A	5/15/2019 10:47 AM	Adobe Acrobat D...	2,090 KB
 BIN 8 UNIT 8	5/15/2019 10:47 AM	Adobe Acrobat D...	2,227 KB
 BIN 9 UNIT 9	5/15/2019 10:47 AM	Adobe Acrobat D...	1,564 KB
 BIN 10 UNIT 10	5/15/2019 10:47 AM	Adobe Acrobat D...	2,099 KB
 BIN 11 UNIT 11	5/15/2019 10:47 AM	Adobe Acrobat D...	2,335 KB
 BIN 12 UNIT 12A	5/15/2019 10:47 AM	Adobe Acrobat D...	1,716 KB
 BIN 13 UNIT 13	5/15/2019 10:47 AM	Adobe Acrobat D...	2,204 KB
 BIN 14 UNIT 14A	5/15/2019 10:47 AM	Adobe Acrobat D...	2,050 KB
 BIN 15 UNIT 15	5/15/2019 10:47 AM	Adobe Acrobat D...	2,251 KB

Important Reminders

- Average Income
 - Management companies are required to submit their AI Policies & Procedures in advance of roll-out.
- Self reporting casualty loss
- HOME Rent Reviews
 - Failure to submit = Non-compliance
- Communicating with your POD
 - Opmpoda@dca.ga.gov
 - Opmpodb@dca.ga.gov
 - Opmpodc@dca.ga.gov



Do you know?

- Minimum set-aside elected
- The terms/representations made in the application for funding
- The terms under which the tax credit allocation was made, including statutory set-aside, deeper state targeting agreements, etc.
- Management unit designations
- If the property is a multi-building property as indicated on line 8b of the 8609 form
- Resident service requirements
- Established tenant preferences
- Restrictions of all other applicable funding sources



Do you know?

- Date of allocation
- Credit year of the property
- The date(s) the building(s) was placed-in service
- The number of buildings in the property
- The Building Identification Number (BIN) for each building in the property
- The percentage of the residential units in the property that are tax credit eligible, or the percentage of the floor space that is tax credit eligible
- The year(s) the credit(s) was first claimed with the IRS



Important Reminders

 Rent Limits	 HOME	 Audit and Inspection Review	 Updates
 Tax Credit	 Resident Concerns	 Reporting to DCA	 Training Calendar
 FDIC	 Compliance Training	 Mitas Compliance	 Annual Owner Certification (AOC)
 Utility Allowances			

Upcoming Training

☐ Compliance 101

Savannah, GA

March 25, 2020

\$25

https://www.gahcoalition.org/DCA_training_registration.asp



☐ Income Averaging

DCA Central Office

April 2020

Training Opportunity



Merranda James
External Training &
Development Coordinator
merranda.james@dca.ga.gov

Asset Management News & Updates



Project Concept Change (PCC)

What?

- Document used to inform DCA to changes from original underwriting
- Most often used to submit for approval in changing ownership structure



Who?

- Current Ownership compiles data to submit to DCA via Excel Spreadsheet

Project Concept Change (PCC)

When?

- Please allow for a 30-day turn around for processing

Why?

- Allow DCA to approve new ownership and vet them in the same manner as current ownership
- Ensure new ownership has proven ability in owning LIHTC properties



Project Concept Change (PCC)

How?

- Mail submission package with flash drive, copy of submission materials and \$1500 fee



Office of Housing Finance
Request for Post Award Project Concept Change

SUBMISSION FORM

Project: Current Name: f.k.a. _____ DCA Proj Nbr: _____
Current Address: _____ City _____ County _____ Zip _____
Address on original Application: _____

Contact: Name: _____ Company _____
(Ownership Address: _____ City _____ State _____ Zip _____
Entity) Email: _____ Phone: _____

BIN Orig # FEES DUE: \$1,500 Request Date: _____ Does the change effect the points Old score
Count: New # Fee included? awarded in the scoring process? New score

Provide an explanation of the reason(s) for requested change. Attach any additional needed narrative per the ToC below.

Provide a description of requested change. Attach supporting documentation as indicated in Table of Contents below.

Reason for Request

Table of Contents

Included In



Management Company Change

Why?

- Allow DCA opportunity to approve new management and vet them in the same manner as current management team
- Ensure new management team has proven ability in operating LIHTC properties
- Team Members HCCP(or equivalent) certified



Management Company Change

When?

- 30 days prior to date of management company change

Who?

- New Owner/Management



Management Company Change

How?



Financial Reporting Requirements

- HOME, NSP, HTF, Exchange properties required to submit 2019 Audited Statements by **April 30**
- New online form to be used for quarterly reporting



DCAFinancialReporting@dca.ga.gov





HOT TOPICS!



Hot Topics



- **Model Compliance Forms**
 - Suggested TIC
- **Federal Minimum Wage Increase**
 - Monitor updates for effective dates
 - Closely review your TIC
- **New! First Year File Reviews (QAP Requirement)**
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Hot Topics

- **New! First Year File Reviews (QAP Requirement)**
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Hot Topics



- **IRS Sampling Regulation**

- Unit sampling
 - Implementation isn't required until 2021.
 - DCA made inspection process changes in 2019, and decided to incorporate the new sampling requirements.
 - Anticipated impact of this reg.
 - All states have lobbied the IRS to change this requirement. IRS is aware of the impact. IRS and Treasury would have to agree to the change. It could happen still.

- **Reminder! Average Income**

- IRS release guidance of income limits to be used for the AMI% bands.
- DCA will host another AI training within the next 45 days.
- Management companies to submit their AI Policies & Procedures in advance of roll-out.

Hot Topics

- **Tenant Selection Plans** (Who, What Why, When)
- **Human Trafficking/Airbnb**
 - What to look for
 - Prevention Tips
- **Compliance Monitoring Best Practices**
 - Inspection Protocol
 - Pre-inspection
 - Inspection
 - Post Inspection



Hot Topics

- **Pre-Inspection**
 - Property Information Sheet
 - Resident Services Report Form
 - Rent Roll with move-in dates
 - Copy of Waiting List
 - Current AFHMP
 - Marketing Information
 - Current Utility Allowance documentation
 - Vacancy Report and turnover information
 - 8609s
 - LURC



Hot Topics

- **Pre-Inspection**

- Property map identifying all buildings and specific unit locations
- Other documentation as requested necessary for compliance review
- Pre-inspect units to avoid any common physical findings
- Make sure that tenant files are organized in a consistent manner for ease of auditing or file uploading
- Have keys ready!



Hot Topics

- **Inspection Day**

- Designate area (if available) where the compliance team can audit tenant files in private location
- Make sure appropriate staff is available to escort inspectors into units and around property for inspection
- Have all required documents available for review such as, waiting list, AFHMP, denied applications, and any other documents requested
- Have staff whom are knowledgeable of the property present during the inspection and exit interview so they



Hot Topics

- **Post Inspection**
 - Start curing preventative maintenance findings
 - Cure Health & Safety Violations within 24-72 hrs.
 - Request extension request for non-preventative maintenance findings in a timely manner



Supportive Housing: What is 811?

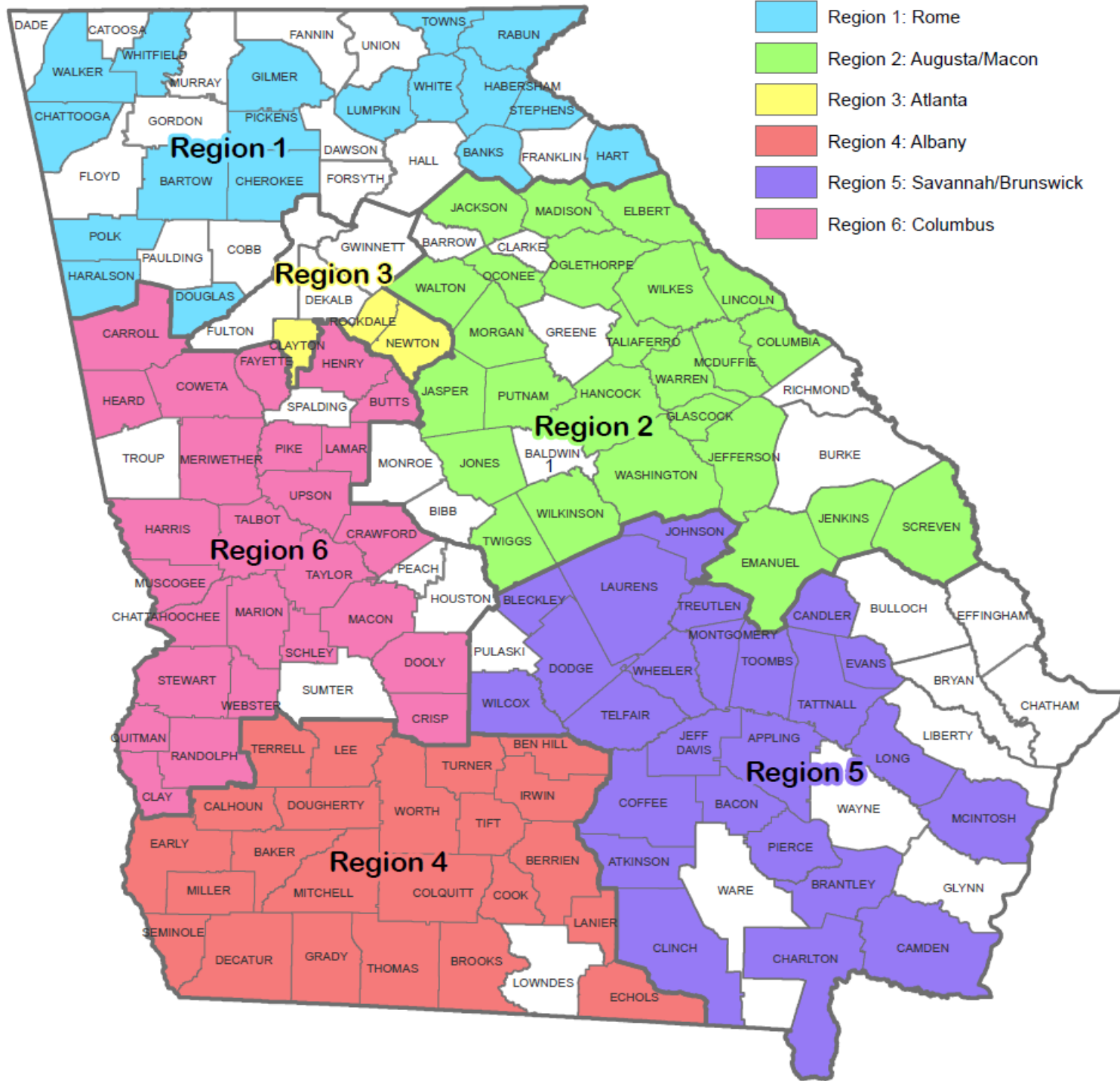
- It is housing for Individuals with Disabilities
- It is Project Based Section 8
- It is Permanent Supportive Housing
- Rent and Utility Allowance Subsidy Only
- Supportive Services are a key component
- Important community based housing in Tax Credit Properties

Supportive Housing

811

The Basics

- HUD's Purpose: To provide permanent housing with supportive services for people with disabilities
- HUD Housing Program similar to Project Based Section 8
 - Rent and Utility Allowance subsidy only
 - Must be used in government funded units (i.e.. Tax credit properties)
- Main Qualifications
 - Ages 18 – 61
 - Extremely Low Income (30% AMI)
 - Disabled receiving long term support services
 - Housing instability
 - Institutionalized or at risk of becoming institutionalized
 - Homeless or at risk of becoming homeless
 - Leaving a group home, adult care facility, or other residential settings
 - Exiting Foster Care



Things to Note

- 60 Day Vacant Payment Hold
 - 10 hold without pay – no longer an issue
- Households qualify at 30% AMI, not 50% and 60%
- Updated formatting to the 811 Lease on the Website
- Limited Fees
 - No application fee
 - No fee for background checks
 - No late fees for rent
 - Security Deposit is \$50 or the Total Tenant Payment whichever is greater
- Be sure when reviewing the initial file, the household disability is considered (HUD Manual requirement)

Updates

- 811 AOC
 - Separate from the main AOC
 - If a project elected to participate in Integrated Supportive Housing from 2011 to the present
 - 811 AOC must be submitted by March 31st
 - Submit it after March 31- Developer is subject to adverse scoring on future applications
- Property in Prelease
 - Create better communication to ensure things run smoothly

Updates

- Compliance
 - Working with LIHTC Compliance
 - Biggest issue is files being organized with all needed information
 - Will be CCing Pods when necessary when critical issues arise
- Supportive Services
 - Developing more thorough options for supportive services
 - DCA has resources for you as well

Contact Information

Ilona Nagy, MSW
HUD 811 Program Coordinator
Homeless and Special Needs Housing
Georgia Department of Community Affairs
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ilona.nagy@dca.ga.gov



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