Blended Occupancy

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Blended Occupancy

Regulatory News & Reviews
HUD has created a web page called VAWA Resources for Multifamily assisted housing.

It contains links to VAWA Act of 2013, VAWA Notices, 2017 training webcasts, Q&As, HUD forms, and VAWA resources for O/As:

https://www.hud.gov/program_offices/housing/mfh/violence_against_women_act
RHIIP Listserv Postings #376
December 21, 2016

• Replaces RHIIP Listserv #373 (12-15-16).

• Model forms for VAWA are available on HUDCLIPS:
  • Notice of Occupancy Rights under VAWA (form HUD-5380)
  • Model Emergency Transfer Plan (form HUD-5381)
  • Certification of Domestic Violence… (form HUD-5382)
  • Emergency Transfer Request… (form HUD-5383)
    Replaces HUD form 91066

• Model forms may be customized, as long they contain the same information and language.
RHIIP Listserv Postings #376
December 21, 2016

• Effective 12-16-16.

• Notice of Occupancy Rights (form HUD-5380) and Certification form (form HUD-5382) must be provided as follows:
  • With any notification of eviction or termination of assistance,
  • To rejected applicants, and
  • To new households at move-in.

• Does not have to be provided to every applicant on the waiting list.

• Does not have to be provided at recertification.
Emergency Transfer Plan

• Must be developed by property owners.
• Plan must be available upon request, and publicly available whenever feasible.
• Must discuss priorities given to tenants regarding emergency transfers vs. other individuals seeking transfers, or placement on the waiting list.
• Must describe procedures to transfer tenants when a safe unit is/is not immediately available w/o a new application.
• Emergency transfer obligation does not supersede any eligibility or other occupancy requirements.
VAWA Confidentiality

• Owners must keep confidential any information submitted by VAWA victims about emergency transfer.

• Documents submitted by VAWA victims must be filed separately from the applicant/tenant file in a secured location.

• The owner is not required to bear moving costs that tenants generally pay to move, including application fees & deposits.

• The owner is not required to obtain acknowledgements from the applicants/tenants, but it is highly recommended.
VAWA’s Ripple Effect

- Policy & procedures affected by this rule are;
  - Tenant Selection Plan
  - Waiting list
  - Transfer policy
  - Rejections
  - House Rules
  - Termination of assistance and/or tenancy; and
  - Eligibility of remaining household members.
Interim Final Rule on Streamlining Administrative Regulations

- Listserv #401 was issued on 12-13-17, but delayed to allow for public comments.
- Extends streamlining changes adopted in 2016 for housing choice vouchers & public housing to Multifamily programs.
- Effective on 3-12-18.
- Comments period ended on 1-11-18.
- HUD will consider changes before publication of the final rule.
(Continued…)

• HUD allows Multifamily Housing owners to:
  • Conduct full income recertification for families with 90% or more fixed income, every 3 years instead of annually.
  • Make utility allowance reimbursement of $45 or less per quarter, on a quarterly basis. A hardship policy is required.
  • Accept family declaration of net assets equal or less than $5,000, with third party verification of all family assets required every 3 years.
21st Century Compliance

LIHTC

Section 8

HOME
Monitoring Agency

Tax Credit (LIHTC)

HOME

Section 8

IRS, State Agency, or Authorized Agent.

HUD HOME monitors issuing Participating Jurisdiction (PJ).

HUD, HAP Contract Administrator, or state.
## Program/Compliance Period

| Tax Credit (LIHTC) | 10 years credit period, 15 years compliance, plus 15 year Extended Use Agreement (total 30 years). |
| HOME | Affordability periods of 5, 10, 15, or 20 years based on the average investment per unit, and type of HOME project. Affordability period can be confirmed by reviewing the LURA. |
| Section 8 | According to Housing Assistance Payments (HAP) Contract. |
Compliance Reviews/Audits

**Tax Credit (LIHTC)**
Once every 3 years at minimum.

**HOME**
Every 3 years or annually depending on the compliance status of the property.

**Section 8**
Generally once a year, or according to the contract and other factors.
Physical Inspections

**Tax Credit (LIHTC)**

- HOME
- Section 8

**Uniform Physical Condition Standard (UPCS) or federal, state & local health, safety & building codes**

- UPCS
- UPCS with Real Estate Assessment Center (REAC) inspection.
The Cost of Non-Compliance

Tax Credit (LIHTC)

HOME

Section 8

Tax credit recapture, penalties, loss of future participation, issuance of 8823s to IRS.

Possible recapture, Loss of future funding and participation in program.

Non-payment of assistance, sanctions, loss of future participation.
Required Forms

Tax Credit (LIHTC)

HOME
*(Check with your PJ)*

Section 8 (HUD 4350.3)

LIHTC Lease Addendum, Employment Verification, Student Affidavit, Child Support, Lead-Based Paint Disclosure (if prior to 1978), Tenant Income Certification, VAWA Addendum, Service Animal Addendum.

HOME Addendum, Employment Verification, Student Affidavit, Child Support, Lead-Based Paint Disclosure (if prior to 1978), VAWA Addendum.

Lease, 92006, 50059, 9887/A, Acknowledgments for Fact Sheet, EIV, etc., Citizenship, Ethnicity, Lead-Based Paint Disclosure (if applicable), VAWA Addendum, & more as required by the program.
Tenant Eligibility

- Students
- Assets
- Unborn Children
- Social Security Number
- Citizenship
- Employee Units
### Students

<table>
<thead>
<tr>
<th>Tax Credit (LIHTC)</th>
<th>HOME Student Affidavit. Adopted the Section 8 Housing Choice Voucher program restrictions on student participation.</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOME Section 8</td>
<td>Households made up entirely of full-time students are not eligible. There are 5 exceptions.</td>
</tr>
<tr>
<td></td>
<td>A student is not eligible if under 24, not married, not a veteran, no dependent child, not disabled, not living with section 8 parents, and not eligible individually, and parents individually or jointly are not income eligible for Sec. 8.</td>
</tr>
</tbody>
</table>
Assets

Tax Credit (LIHTC)

HOME

Section 8

Assets over $5K verified, $5K and under may be self-certified.

All assets are verified.

All assets are verified.
Unborn Children

Tax Credit (LIHTC)

HOME

Section 8

Counted for bedroom size and household income limits.

Same as LIHTC.

Counted for bedroom size and household income limits. But does not receive a $480 dependent deduction.
Social Security Number

If required, owner must apply to all, in a non-discriminatory manner.

Applicants and tenants must disclose SSNs for all household members.

Required; check Notice HUD 2010-08 for recent changes & exceptions.
Citizenship

Tax Credit (LIHTC)

Currently, there is no specific direction from IRS. If required, owner must apply to all, in a non-discriminatory manner.

HOME

Only U.S. citizens or eligible non-citizens qualify for assistance.

Section 8

Citizens & eligible non-citizens qualify. Restrictions apply to non-citizens and mixed families. Check 4350.3, Par. 3-12.
Employee Units

**Tax Credit (LIHTC)**

May impact Applicable Fraction, employee must be full-time by the property. Check LURC.

**HOME**

Request waiver for unit conversions. Check with PJ.

**Section 8**

Per agreement, check Rent Schedule.
<table>
<thead>
<tr>
<th><strong>Tax Credit (LIHTC)</strong></th>
<th>No transients, minimum 6-month lease required. Single Room Occupancy (SRO) may be ok.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HOME</strong></td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Section 8</strong></td>
<td>Temporary housing may be allowed in certain programs, check your HAP contract.</td>
</tr>
</tbody>
</table>
# Lease Term

<table>
<thead>
<tr>
<th>Tax Credit (LIHTC)</th>
<th>HOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial lease at least six months.</td>
<td>One-year lease or as agreed upon between the landlord &amp; tenant. Never less than 30 days.</td>
</tr>
<tr>
<td>Generally, initial lease 12 months.</td>
<td></td>
</tr>
</tbody>
</table>

**Section 8**
Tenant Re-certification

**Tax Credit (LIHTC)**
Annually, no interim. 100% projects are exempt as of July 30, 2008. Re-certification Waiver must be submitted and approved by DCA. Must check student status.

**HOME**
Annually, no interim.

**Section 8**
Annually, and interim upon change of family composition and/or income increase $200 per month or more.
Income Limits

Tax Credit (LIHTC)

Multifamily Tax Subsidy Project (MTSP) limits. 50% or 60% of Area Median Income (AMI) based on set-asides. Determined by HUD, no deductions are allowed.

HOME

HUD HOME Income Limits.

Section 8

Area Median Income (AMI). Pre/post 1981 universe applies (4350.3, Par. 3-7, Pg. 3-12). Income targeting, 40% at extremely low income.
Rent Restriction

Tax Credit (LIHTC)

HOME

Section 8

30% of AMI.

30% of applicable low or high HOME AMI.

The higher of 30% of adjusted income or 10% of gross income. $25 minimum rent.
## Available Unit Rule

<table>
<thead>
<tr>
<th>Tax Credit (LIHTC)</th>
<th>Building rule; units with income exceeding 140% of AMI.</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOME</td>
<td>Over income when HH income exceeds 80% of applicable income limits. Action steps vary if the unit is fixed or floating with high or low HOME rent. The HOME Guide Par. 3-5 &amp; 3-6.</td>
</tr>
<tr>
<td>Section 8</td>
<td>Over income tenants pay market rents.</td>
</tr>
</tbody>
</table>
Records Retention

**Tax Credit (LIHTC)**

At least 6 years after the due date for filing the taxes for that year. First year files for 21 years.

**HOME**

Generally, 5 years after the end of the affordability period.

**Section 8**

At least 3 years after move-out. DHS appeal documents for 5 years. Voucher & financial data for 7 years. EIV reports must be disposed after 3 years.
Best Practices... In General

All programs are not created equal!

• When in doubt, use the most restrictive rule, and check with your monitoring agency.

• Implement policies and procedures to maintain consistency.

• When conflict between programs occurs, state agencies should be consulted for guidance.

• Conduct periodic internal Audits.

• Third party audits are recommended in The Guide to Form 8823.
Best Practices... In General

(Continued)

• Maintain an updated summary sheet for each property. Site staff should have a clear understanding of all the requirements of each applicable program.

• Keep Key documents readily available as it relates to compliance monitoring (LURC/LURA/8609s).

• Maintain separate files for each program.

• Create a tracking system to check off every step of the way. Use checklists.

• Keep EIV reports in a separate file, and don’t use the information for LIHTC.
(Continued)

• Provide continuous training to keep staff up to date on new rules and the latest changes.


• Finally, conduct your business each day as if your next audit is scheduled for “tomorrow”.
Stay Informed

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

• Sign up for RHIIP Listserv, you too can receive current RHIIP related information from HUD http://portal.hud.gov/hudportal/HUD?src=/subscribe/mailinglist
THANK YOU!

From:

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