Georgia® Department of
Community Affairs

Office of Portfolio Management Updates

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The **BLAST**

April 1, 2022

What's New

Compliance

APRIL IS FAIR HOUSING MONTH In April of 1968, President Lyndon B. Johnson signed the Fair Housing Act (FHA) into law. Several of our training partners are offering excellent and timely Fair Housing related educational opportunities! Available topics include:
- A guide to the Affirmative Fair Housing Marketing Plan
- Fair Housing for Maintenance
- Service Animals vs Companion Animals

COMMUNICATING WITH DCA
You may continue to submit your questions and concerns to *Compliance@dca.ga.gov* while noting the response time of 24-72 hours, depending on the level of complexity. Don't forget to correspond directly with your POD for audit-specific questions.

COMPLIANCE Q & A
Question #1: Can you clarify how to properly handle OI residents at move-in?
Answer #1: Following the IRS 8823 Guide Chapter 4, ***Household Income Above Income Limit upon Initial Occupancy;*** the guide provides details and examples to address this non-compliance. This item is a reportable matter under category 11a of the 8823.

Question #2: Will the over income restriction end once the extended use period starts?
Answer #2: Owners must continue to comply with the commitments made on the funding application and agreements throughout the extended use period, including occupancy restrictions, unit transfers, student certifications, etc. Some projects may have additional requirements as specified on their extended use agreements.

NEWS BRIEFS
Annual Owner Certifications
We appreciate all partners who submitted their AOCs timely. If you have not yet submitted, please login to the Emphasys Certification Portal to complete the AOC and become compliant.

AOC Submission Tips
- Please ensure your Property GA ID# is correct.

OPM YouTube Page

File Audit & Physical Inspections

Reporting to DCA

- Be sure to submit the AOC for the current reporting period.
- Remember to provide an explanation for all questions answered "No", and attach an appropriate supporting document.
- Remember it is not necessary to have the document notarized. However, be sure to have the signature section clearly signed by the Owner.
- Upload the executed AOC directly to the Portal.

NOTEWORTHY

Is Your Project In An Eligible Rural Development (RD) Area?

Partners that have projects eligible to use the NNMI limits should notify DCA to select the appropriate RD flag in Emphasys and provide the USDA RD Eligibility page for each project.

Once DCA checks RD flag, the applicable limits will be in effect.

- However, changing the RD flag will <u>NOT</u> recalculate the income and rent limits on existing certifications.
- Any new certifications entered or uploaded in the Certification Portal after the Rural Development flag is marked, will be validated against the NNMI limits. To validate the current certifications against NNMI, you'd need to edit and save each unit in the portal; this will refresh the applicable limits as necessary.

Within the next 15 days, please send a list of your RD properties to HFDEmphasys@dca.ga.gov **due no later than April 15, 2022**

Asset Management

DEADLINE APPROACHING

Email your 2021 Audited Financials to DCA

2021 Audited Annual Financial Statements (prepared by a CPA) for properties with HOME, GHFA, DCA, HTF, NSP, PSHP, TCAP, and 1602 Tax Exchange loans and/or grants can now be emailed to DCA. If you are unsure of the reporting requirements for your property, please refer to your loan agreement. Please include the Georgia DCA Project ID Number (GA-ID) and property name and "2021 Audited FS" in the email subject line and send them to: *DCAFinancialReporting@dca.ga.gov*.
<u>Example</u>: *1900-100 (Olde Time Village), 2021 Audited FS*
Remember the 2021 Audited Financial statements are **due no later than May 15, 2022**

CONTINUING REQUIREMENTS

Extended Use Period Properties

Properties in the LIHTC Extended Use Period (properties in years 16-30) are required to continue reporting tenant transactions to the Emphasys Certification Portal by the 10th of each month, just like properties in the LIHTC compliance period and/or HOME affordability period. Failure to file these monthly reports is considered a major finding of non-compliance.

Management Company Name Changes

If your management company has recently re-branded or has had a reorganization and/or name change, please email *Compliance@dca.ga.gov* so that instruction can be provided by DCA for the process of obtaining DCA's approval of a name change.

Management Company Approval Policy – Reminders

LIHTC and HOME training credentials required under the DCA Management Company Approval Policy must be current and valid. For example, HCCP certificates issued more than several years ago will not meet DCA policy requirements if they are not active and current according to NAHB requirements. The other acceptable certifications under the policy are the following: SCHM, NPCC, C3P - or any higher designations of those certifications.

INSPECT WHAT YOU EXPECT

Notice

DCA has resumed performing regular Compliance Reviews (physical inspections and file audits). As a reminder, we suggest management staff review your current internal routine inspection and preventive maintenance practices. A necessary part of a preventive maintenance program is performing regular inspections to improve curb appeal, protect and preserve the property, and identifying potential problems before they become bigger and more expensive.

<u>**DCA tip:**</u> Refer to your most recent DCA Compliance Review Findings letter or Close Letter as guidance for the types of non-compliance that might be cited by DCA or DCA's inspectors. Also, please refer to the Uniform Physical Conditions Standards Protocol (aka UPCS inspection protocol) - a useful checklist is provided by HUD *here*.