

May 1, 2023



## Office of Portfolio Management Updates

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### The **BLAST**

May 1, 2023

#### **2023 HUD Income Limits to be Released May 15th**

In March, the US Department of Housing and Urban Development (HUD) announced it would be pushing the release of 2023 income limits to May 15th. You can learn more about the pending release [here](#).

#### **Frequently Used Links**

[New DCA HOME/LIHTC Compliance Manual](#)

[DCA HOME/LIHTC Compliance Manual Q&A website link](#)

[DCA HOME/LIHTC Compliance Manual Questions and Answers - Updated!!](#)

[HOME and LIHTC Compliance Manual Webinar](#)

Is the content of this email relevant to you?

Yes

No

OPM  
YouTube  
Page

File Audit &  
Physical  
Inspections

**Compliance**

**Q and A**

**Q:** Can you explain the Placed-in-Service Date versus the Income Limits we must use?

**A:** When determining which table to use for properties with Placed in Service dates both before and after the income limit effective dates, also consider the following:

- The earliest PIS date for a building governs.
- Under Section 42, each building is considered a separate project unless the Owner elects to treat buildings as a Multiple-Building Project. This Multiple-Building election is made by the Owner on line 8b in Part II of IRS form 8609. However, since IRS form 8609 is typically issued well after the placed-in-service date, owners of properties with buildings placed in service both before and after the publication of new limits must determine what this election will be and which buildings are part of the Project. The Owner must document this determination in the property's records, and when completing Part II of Form 8609, the election must be consistent.
- The earliest PIS date for any building that is part of a Multiple-Building Project determines which table will be used by all the buildings that are part of that Multiple-Building Project. Line 8b on form 8609 is, or will be, checked "Yes," and the Owner has identified the buildings that will be a part of this Multiple-Building Project. If buildings are **not** part of a Multiple-Building Project, then each building may use the table based on its effective date as that compares to the Placed in Service date for that Building.

## Friendly Reminders

### 8609 IRS Form(s)

The state allocating agency (DCA) issues to the Owner the IRS Form 8609 which details the tax credits allocated for each building in the project. The owner then completes Part II - with an original signature - and files the 8609 Form(s) with the IRS for the first Taxable Year. These forms are subsequently due to DCA via **email the same day** they are sent to the IRS.

### Noncompliance Fees may be assessed

Please note that a non-compliance Fee of \$250 **per instance per month**, will be assessed until the noncompliance is corrected and will be due within 15 days of invoicing by DCA. Additionally, non-compliance may affect future application scoring.

If your property is not in the Emphasys Certification Portal, please reach out to [HFDEmphasys@dca.ga.gov](mailto:HFDEmphasys@dca.ga.gov). Email [Compliance@dca.ga.gov](mailto:Compliance@dca.ga.gov) if you any questions.



We have had a great response from our partners who have shared truly inspirational stories focusing on the mission of the programs offered through DCA. We thank all of you for your support and partnership in fulfilling our mission to build strong and vibrant communities.

- If you have a positive story to share, please submit a short write-up, blurb, and/or news article highlighting your success! We encourage you to provide pictures or links to accompany your story.
- Please note that your story may be shared with a wider audience outside of our organization, therefore we ask that you do not include any information that might compromise the physical or online safety of any person such as a physical address/apartment number or social security number.

Share Your Success here! - [formstack](#)

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## Asset Management

### **Become an Affordable Housing Hero!**

Does your team have the skills, experience, and commitment for preserving affordable housing in Georgia? By purchasing a property via the Qualified Contract process, you will prevent a LIHTC property from being Decontrolled and exiting the LIHTC program early.

The Office of Portfolio Management has recently posted several properties for sale via the Qualified Contract process. Please visit the DCA website [here](#) the “Qualified Contract list” for details on these properties. If you’d like more information or have questions after a look at these properties, the DCA Asset Management team can assist – [AssetManagement@dca.ga.gov](mailto:AssetManagement@dca.ga.gov).

### **HOME - Audited Financials 2022 submission deadline is May 15, 2023**

There are just **15** days left until the 2022 HOME Audited Financials are due. Per the terms of your HOME, GHFA, HTF, TCAP or other DCA loan agreement, annual audited financials must be submitted to DCA. If you haven’t already engaged the services of your CPA for the 2022 audits, please do so to ensure they are submitted to DCA on time - **before May 15, 2023**. Submitting late audited financial statements is considered a major non-compliance finding and can carry penalty fees for each instance. See the new Instructions for uploading your statements for Asset Management’s review below:

#### **Uploading Instructions:**

Audited Financial Statements must be uploaded and saved under the "Financial Audits" section within the Emphasys Certification Portal. The following naming protocol must be used for the audited financials:

#### **Naming protocol:**

**(2-digit Year) 22\_AuditedFS\_PropertyName\_GAIDNo.**

**Example:**

**22\_AuditedFS\_HawksLandingApts\_GAID\_15-001**

We are no longer accepting audited financial via email. If you are having issues uploading to Emphasys, please send an email to [HFDEmphasys@dca.ga.gov](mailto:HFDEmphasys@dca.ga.gov).

If you have PRIOR years to submit - refer to the example above AND only changing the 2-digit year.

Each annual audit must be made individually.

### **NEW!!!! Non-compliance Fees may be assessed**

In conjunction with Compliance, Asset Management may now assess the non-compliance fee of \$250 for findings of non-compliance related to audited financials.

**Emphasys Reporting - PLEASE READ CAREFULLY!**

Non-compliance by failure to report timely in Emphasys may delay or prevent DCA approvals. Management companies seeking DCA's approval to add DCA monitored properties to their portfolio must have their existing DCA portfolio in full compliance with Emphasys monthly reporting requirements and all other compliance requirements. DCA recommends seeking approval 60 days in advance, thereby allowing sufficient time for a full review. Properties in the Extended Use Period, (EUP) are also required to continue reporting monthly transactions in Emphasys.

Failure to do so has been a common audit finding and has delayed management change approvals as well as approval requests for Project Concept Changes.

### **Ownership Transfers and Sales of DCA properties**

Owners are responsible for filing a formal request for DCA's approval of GP transfers of interest and/or the sale of a GHFA/DCA-funded and monitored property. No GHFA/DCA monitored properties are exempt from notifying DCA at least 30 days before a proposed sale or transfer. Please contact DCA's Asset Management team for specific instructions for filing these transfer requests for properties that have already been placed in service at [AssetManagement@dca.ga.gov](mailto:AssetManagement@dca.ga.gov).

### **Georgia Housing Search (GHS) – Affordable Housing Listing Website**

Every Georgia DCA monitored property is required to be listed on the GHS website. Please ensure your compliance. [GeorgiaHousingSearch.org](http://GeorgiaHousingSearch.org)

Georgia Department of Community Affairs | 60 Executive Park South NE, Atlanta, GA 30329

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