

Summary of Changes for August 2018 revision of the Federal Programs Ongoing Rental Compliance Manual

Minor formatting, wording, or grammatical changes are not identified in this list. In addition to the items below, all website links referenced in the manual have been revalidated and updated where appropriate.

- Throughout manual, added references to the Housing Trust Fund (HTF) program which was not an active program at the time of the previous manual revision
- 1.1- Basic Affordability Requirements: Added language re: HTF requirement for all HTF-assisted units to serve households at 30% AMI
- 1.3- The Affordability Period: Added language noting that for HTF-assisted units the affordability period is always 30 years regardless of amount of assistance per unit
- 1.6- Applicability of HOME Rules to CDBG, CDBG-D and NSP Properties: Updated list of rules that only apply to HOME-assisted projects.
- 2.1(A)- Review Annual Owner Certifications and Annual Financial Information: Added language about IHCD's responsibility to review property financials on an annual basis for all HOME or HTF-assisted projects with 10 or more units
- 2.1(B)- Conduct File Monitoring and Physical Unit Inspections: Updated information on frequency of monitoring/inspections. All regularly scheduled monitoring will now be done once every three years regardless of the number of units in the project.
- 2.1(H)- Responsibilities of IHCD: Added language about IHCD responsibility to approve rents for all HOME or HTF-assisted projects.
- 2.2(H)- Reporting Tenant Events and Submitting Annual Owner Certification: Removed references to mandatory hardcopy Owner Certification forms. The Owner Certification can currently be submitted all online and will be required to be submitted online beginning with the 2018 Owner Certifications (due by 1/31/19).
- 2.2(N)- Responsibilities of Owner: Added language about responsibility to request IHCD approval for rents for HOME or HTF-assisted projects.
- 2.2(O)- Responsibilities of Owner: Added language about responsibility to submit annual property financials to IHCD for review for HOME or HTF-assisted projects with 10 or more units.
- 2.3- Management responsibilities: Added note on responsibility to list all projects in the Indiana Housing Now online database at www.indianahousingnow.org.
- 3.1(A)- Set-aside Requirements: Added note that all HTF-assisted units will be restricted at 30% AMI for both income and rent limits
- 3.1(B)- Income Limits: Added note of caution that the tax credit, HOME, and HTF programs have separate sets of income limits
- 3.2- Rent Limits: Added note of caution that the tax credit, HOME, and HTF programs have separate sets of rent limits
- 3.2- Rent Limits: Added language clarifying when the HOME/HTF Rent Update Form must be submitted and that it only applies to HOME or HTF-assisted units, not other programs
- 3.2(D)- Mandatory Renter's Insurance: Removed language giving option to utilize an average instead of the actual amount of renter's insurance.

- 3.3(B) Approved Utility Allowance Source: Added notes that the PHA utility chart (including the IHCD county by county UA charts) cannot be used for purposes of HOME compliance for HOME-assisted units that received a commitment of HOME funds after 8/23/13.
- 3.3(B)(4) – 3.3(B)(6)- Approved Utility Allowance Sources
 - Removed IHCD review/approval fee
 - Added language that utility allowance reviews should be submitted through the ua@ihcda.in.gov e-mail box
- 3.3(C)- Updating Utility Allowances: Clarified language that when a change in utility allowance causes gross rent to exceed the applicable limit, the rent must be adjusted immediately, i.e. the owner cannot wait until next annual recertification to adjust rent.
- 4.1(B)- Household Composition: Changed policy so that unborn children are now counted in household size.
- 4.1(C)- Unborn Children and Child Custody: Changed policy so that unborn children are now counted in household size. Clarified that self-certification is the only verification that an owner may request to verify pregnancy to count an unborn child.
- 4.1(G)- HOME Student Rule: Added note that the HOME student rule does not apply to HTF.
- 4.1(H)- Conflict of Interest: Added section that owners, developers or sponsors or their employees or immediate family members cannot live in assisted units
- 4.2(A)- Fair Housing: Added comment that tenant selection plans must acknowledge compliance with Fair Housing and tenant forms must include the Fair Housing logo
- 4.2(B)(2)- Reasonable Modifications: the language previously only addressed Fair Housing Act requirements. Now includes references to Section 504 which requires the owner to pay for reasonable modifications.
- 4.2(E)- Tenant Selection Criteria: Added paragraph that criminal background screening must comply with the 2016 HUD Guidance on use of arrest and conviction records
- 4.2(E)- Tenant Selection Criteria: Added note that tenant selection plans must acknowledge that the property complies with the requirements of VAWA
- 4.2(G)(1)- Violence Against Women Reauthorization Act of 2013: Added section defining applicability of VAWA and covered programs. Clarified which HOME projects are affected. Clarified VAWA doesn't apply to CDBG, CDBG-D, or NSP.
- 4.2(G)(8)- Violence Against Women Reauthorization Act of 2013: Added list of required HUD forms. Forms are now included in Appendix J.
- 4.3(A)- Mixed Funding: Rent and Income Limits and Utility Allowances: Added note that the Housing Trust Fund program requires all HTF-assisted units to utilize the HTF program 30% rent limits
- 4.3(A)- Mixed Funding: Rent and Income Limits and Utility Allowances: Added explanation of HOME utility allowance rule, and specific information on handling a unit that is both RHTC and HOME-assisted that is occupied by a Section 8 voucher holder.
- 4.3(B)(6)- Mixed Funding: Certifications and Verifications: Added note that HOME/CDBG/NSP/ HTF assisted units cannot rely on income statements provided by the public housing authority in lieu of income verification documents. This is a tax credit specific rule. Same clarification added in part 5.3(B)(4).

- 4.3(C)- Mixed Funding: Household Size and Eligibility: Removed note that the HOME program does not count unborn children in household size. This rule no longer applies.
- 5.1(D) One Form per Household or One Form per Member: Added note clarifying that for HOME compliance, a separate HOME Student Status Certification Form must be completed by each adult household member
- 5.2- Tenant Application and Income Certification Questionnaire: Added language referring to the sample IHCDCA “Race and Ethnicity Data Reporting Form” (Form #37)
- 5.3(B)(4)- Public Housing Authority Verification: Removed section. This is a tax credit specific rule that does not apply to these programs.
- 5.3(D)(1)- Social Security and Supplemental Security Income: Added information on cost of living adjustment (COLA) increases for 2016-2018.
- 5.3(D)(1)- Social Security and Supplemental Security Income: Added Streamlining Rule for verifying fixed income sources.
- 5.3(D)(7)- Periodic Payments and Withdrawals: Updated for correct HUD Handbook reference.
- 5.3(D)(8)- Verifying Fixed Income Sources: Added new section implementing HUD’s rule on “Streamlining Administrative Regulations” which simplifies the process for verification of fixed income sources at recertification.
- 5.4(C)- Assets: Added note that there has been no change to the passbook savings rate since 2015.
- 6.3- The Annual Owner Certification of Compliance: Added note that the OC can now be completely submitted online and that beginning with the 2018 OC (due by 1/31/19) IHCDCA will only accept electronic submissions.
- 6.4- IHCDCA Tenant File Review and Onsite Development Inspections- Updated information on frequency of monitoring and inspections. No longer based on
- 6.4(A)- Tenant File Audits: Updated list of items reviewed during an audit to include VAWA compliance
- 6.4(A)- Tenant File Audits: Changed initial correction period for file audits from 90 days to 30 days. This had already been implemented but was not up-to-date in the manual.
- 6.4(C)- Added new section about Financial Review for HOME & HTF.
- 7.5- Correction Period: Changed initial correction period for file audits from 90 days to 30 days. This had already been implemented but was not up-to-date in the manual.
- 8- Glossary: Added definitions for Bifurcation of Lease, Emergency Transfer, Fixed Income, Streamlining Rule, Triennial Verification, and VAWA.

Appendices

- Appendix B- uploaded revised versions of Compliance Forms 9D, 23, and 46
- Appendix B- added Compliance Forms 37A
- Appendix C- uploaded 2016 & 2017 income and rent limits
- Appendix D- uploaded most current versions of owner certification forms
- Appendix E- uploaded updated utility allowance approval request letters
- Appendix H- uploaded HUD Guidance on Criminal Background Checks and revised HUD Form 935.2a (AFHMP Plan)
- Appendix J- new appendix folder with HUD’s VAWA forms