



Oregon

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To: HOME Assisted Owners and Management Agents

From: Jennifer Marchand, LIHTC Compliance Technical Advisor

Date: March 30, 2012

Re: Program Updates and Manual Revision

The Asset Management Section has recently updated and revised the HOME Compliance Manual. You can read and download the manual at:

http://www.ohcs.oregon.gov/OHCS/PCS_HOME_Monitoring_Compliance.shtml

Please remember that the OHCS HOME Compliance Manual is a “working document” and that we do our best to stay current as industry changes take place. It is ultimately up to the owner of a HOME assisted property to ensure that HOME and OHCS compliance is maintained.

Form Additions and Revisions:

In order to maintain fairness and uniformity, the information contained within the OHCS- Required forms must not be altered. Owners and Agents opting to create their own forms (in lieu of using our recommended forms) must include at the very least all information contained within the OHCS recommended forms. The following forms should be used by Management/Owners as soon as possible. All required forms must be in use by May 15, 2012.

Required Forms:

- OHCS.1H - Owner's Certificate of Continuing Compliance -HOME Program
- OHCS.2H - HOME Only Program Tenant Income Certification (TIC for HOME only)
- OHCS.2 - HOME & LIHTC Tenant Income Certification (TIC for HOME/LIHTC)
- OHCS.3H - HOME Applicant/Tenant Questionnaire
- OHCS.6 - Student Status/ Financial Assistance
- OHCS.7 - Employment Verification
- OHCS.8 - Unemployed/Zero-Income Certification
- OHCS.12H - HOME Program Self-Certification
- OHCS.13H - Asset Verification - Required for all HOME units
- OHCS.14H - HOME Program Monitoring Report
- OHCS.15H - HOME Program Lease Checklist
- OHCS.20H - Citizenship Declaration
- OHCS.21 - Assessment of Household Demographics
- OHCS.22H - HOME Lease Compliance Form

HOME Compliance Manual 2012:

Changes, Additions, and Revisions have been made to each area of the HOME manual. The whole manual should be reviewed by Owners and Agents including Site staff.

The following areas are hot topics that we would like to call to your attention:

Under \$5000 form is no longer allowed for all HOME assisted units – See page 52

Rent Increase policy must be followed - See page 14

Affirmative Fair Housing Marketing – See page 60 and 61

Citizenship and Ethnicity requirements – See pages 32 and 60

HOME and LIHTC mixed funded units – See pages 67 to 69

HOME and RD/Sec 8 mixed funded projects – See pages 35 and 51

HOME required self-certifications – See pages 34 and 35

Disability income exclusion – See page 42

Waiting list requirements – See page 31

Unborn children excluded from determining household size and income – See page 32

Rejected application requirements – See page 31

Anticipated income must be verifiable – See page 42

FHEO, ADA, and 504 – See pages 61 to 66

Information for Marketing Accessible Units:

Owners shall take reasonable nondiscriminatory steps to maximize the utilization of accessible units by eligible individuals whose disability requires the accessibility features of the particular unit. To this end, any vacant, accessible unit should first be offered to a current tenant with disabilities of the same project or comparable project under the owner's control. The occupant with disabilities must require the features in the vacant unit and must be occupying a unit not having such features. If no such occupant exists, the Owner shall then offer the unit to a qualified applicant on the waiting list who has a disability requiring the accessibility features of the unit. If a qualified applicant does not exist on the waiting list, the Owner should then market the unit with accessible features. Owners may only offer an accessible rental unit to an applicant without a disability after efforts have been exhausted to occupy the unit by an individual with a disability. However, the owner shall require such an applicant to agree to move to an available comparable non-accessible unit when the accessible unit is needed by a household that includes a member with disabilities. Such an agreement should be incorporated into the lease.

HOME Training:

A three hour HOME training covering HOME updates will be offered by OHCS at the AHMA conference in Eugene on May 17th, 2012.

In addition, OHCS will be offering a free day of HOME training at our Salem office on May 30th, 2012. A sign-up sheet is attached to this email. The morning session HOME 101 is designed for beginners or those needing a refresher. The afternoon session HOME Program Updates will cover OHCS monitoring and HOME compliance updates.

HOME Proposed Final Rule change:

HUD published a significant proposed regulation for the HOME Program in the Federal Register on December 16, 2011. The proposed changes are intended to enhance performance and accountability, and clarify certain existing provisions. Public comments on the proposed changes were due by February 14, 2012. The new final rules are expected to be announced in the Fall of 2012.

Among the most significant are the following proposals:

- Projects not completed within four years from the date of project commitment would be considered terminated and the jurisdiction must repay HOME funds invested in the project;
- Repayment of HOME funds would be required for any unit that is not rented to eligible tenants within 18 months of project completion;
- Homebuyer units that are not sold within 6 months of completion of rehabilitation or construction would be required to be converted to rental projects;
- Makes several changes to the requirements of CHDOs and funding awarded to CHDOs. For example, general CHDO reservations would be eliminated and PJs would be required to commit CHDO set-aside funds to specific CHDO projects within 24 months. In addition, HUD would deobligate CHDO set-aside funds not expended within five years of obligation to the PJ;
- PJs would be required to assess a developer's capacity and financial condition, in addition to market need for the project and its long-term viability before committing HOME funds;
- PJs would be required to examine annually the financial condition of rental projects with at least ten HOME-assisted units;
- New property standard requirements and inspection requirements would be established;
- Mandatory program design considerations for homebuyer programs would be established;
- PJs would be required to develop and adopt written policies and procedures to improve program oversight, conduct risk-assessments, and more closely monitor sub-recipients.

To view the Proposed Rule in its entirety go to:

<http://www.gpo.gov/fdsys/pkg/FR-2011-12-16/pdf/2011-31778.pdf>

Questions or Concerns:

Should you have questions or concerns regarding information contained within this mailing or the new HOME Manual, please feel free to contact me at Jennifer.Marchand@hcs.state.or.us, your Compliance Officer, or Ryan Miller Asset Management Section Manager at Ryan.Miller@hcs.state.or.us