Florida Housing Finance Corporation
Mission Statement:
To help our fellow Floridians obtain safe, decent, affordable housing that might otherwise be unavailable to them.

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**Florida Housing Responsibilities**

- Monitor owner's compliance with regulatory documents (LURA/ELIHA).
- Oversee compliance monitoring contracts.
- Report noncompliance to Board of Directors and IRS, when applicable; post noncompliance report on website.
- Prepare monthly occupancy report using program report data; post on website.

**Florida Housing Responsibilities**

- Review and process requests from owners
  - Exempt unit from certification for residence of manager, maintenance or security officer
  - Management company selection,
  - Energy consumption model utility allowance,
  - Annual Owners Certification AOC-1,
  - Affirmative Fair Housing Marketing Plan
- Liaison, as needed, between tenant, management, owner, and local and federal governments
Compliance Monitor Responsibilities

- Introductory Conference – Meet with owner/management prior to leasing of any units.
- Program report – Collect and evaluate for compliance with income eligibility and set-asides, timeliness, completeness and data designation errors.
- Management Review and Physical Inspection – Onsite review of tenant files, management company administrative procedures and inspection of the property. Provide report to Owner, Management and Florida Housing.
- Provide compliance training for owners and management companies and assist with compliance questions.
- Report noncompliance to Owner, Management and Florida Housing; track noncompliance and the owner's correction thereof.
- Conduct quarterly compliance training workshops.

Multifamily Rental Programs

Program Types
- Set-aside
- Income Limits
- Initial Certification
- Application
- Determining Income
- Assets

Program Types
Rental Program Types

Multifamily Bond Program (MMRB):
  Chapter 3
State Apartment Incentive Loan (SAIL):
  Chapter 4;
  also pertains to Rental Recovery Loan Program (RRLP)
Housing Credit (HC):
  Chapter 5;
  also pertains to Tax Credit Assistance Program (TCAP) and Tax Credit Exchange Program (TCEP)
HOME: Chapter 6

Set Aside Requirements

What does set-aside actually mean?

The occupancy requirements or restrictions for developments.

The regulatory agreement (EUHA or LURA) describes the applicable requirements.
• 100 Unit Development
• Set-aside Requirement:
  - 40% of the units @ 60% of the Area Median Income (AMI)
  - How many units must be qualified to meet this requirement?
    \[ 40 \times 100 \text{ units} = 40 \]

• 100 Unit Development
  \[ 30\% @ 35\% \times 100 \text{ units} = 30 \text{ units} \]
  \[ 70\% @ 60\% \times 100 \text{ units} = 70 \text{ units} \]

Where are set-asides found?
  MMRB Program
  RRLP Program
  SAIL Program
  HOME Program
  TCAP Program
  Land Use Restriction Agreement (LURA)
Where are set asides found?

Housing Credit (HC) Program
Tax Credit Exchange Program (TCEP)
Extended Low Income Housing Agreement
also referred to as
Extended Use Agreement (EUA)

When is a unit counted as a set-aside unit?

- After income of the household has been properly verified,
- After the Tenant Income Certification is executed by all adult members, and
- The household has occupied the unit.

A vacated unit retains the qualification characteristics of the last household.

What are “Special” set asides?

Requirements that serve the needs of older persons, farmworkers, homeless and other communities.

Requirements that link residents with special needs to housing and supportive services.
The Florida Housing strategy requiring developers to work with supportive service referral agencies to provide a specified percentage of units in rental properties as supportive housing for residents with special needs.

**Link- How it Works**

- Memorandum of Understanding (MOU) - Formal agreement between a Florida Housing-designated Special Needs Household Referral Agency and the development owner that outlines roles and responsibilities of each party.
- Special Needs Household Referral Agency - Florida Housing-designated established referral agency that serves various Link special needs household target populations.

**Link - Roles and Responsibilities**

- **Owner**
  - Notify Referral Agency of available reserved units
  - Coordinate with Referral Agency and Special Needs Household to initiate application process
  - Collaborate with referred household’s supportive service provider.
- Frequently delegated to management
Link: Roles and Responsibilities (con’t)

- Referral Agency
  - Receive and process referrals from supportive service providers regarding special needs persons interested in available Extremely Low-Income (ELI) units.
  - Maintain waiting list of eligible special needs households interested in a reserved ELI unit
  - Coordinate first contact among special needs household, household’s service provider, and property management.

Link Compliance

- Correct Florida Housing-approved MOU is on file
- Correct number of Link units set-aside
  - Generally 50% of the ELI Units committed for Link
  - Referred by designated agency in order to count towards set-aside
- Record of email contact between property manager and Referral Agency
- Reporting Link households and Referral Agency on Form PR-1.

Screen shots of Link-related Program Report Instructions
Screen shots of Link-related Program Report Instructions

Refer to Appendix A and C1

Income Limits

Qualification of Applicant Initial Certification

Application/ Sworn Declarations
Determining Income
Annual Income
Verification of Income
Application

- Qualify the applicants
- Fully completed and executed
- List all intended occupants
- All sources of income
- Assets
- Child support
- Penalty of perjury statement
- Previous residence

Chapter 7, Page 2; item 7.4

Application Addendums

- Total assets and asset income
- Student status
- Child support
- Zero income
- Previous residence
- Roommates
- Guarantors
- Include penalty of perjury statement

Chapter 7, Page 2; item 7.4

Whose Income is Counted

Income of Household Members

- Adults: Head, spouse or co-head, and other adult members of the household including foster adults.
- Benefits or other unearned income of children under age 18, including foster children, is counted.

Chapter 8, Pages 3 - 4
Whose Income is Not Counted

- Employment income of children under age 18 including foster children
- Employment income in excess of $480 when a full-time student is age 18 or older and is a dependent

Chapter B, Pages 3 - 4

Annual Household Income

All income expected to be received within the following twelve-month period.

Examples of Income:

- Employment Wages
- Child Support
- Regular Contribution and Gifts

- Please refer to Appendix E (Income Inclusions)
- Please refer to Appendix F (Income Exclusions)

Employment Wages

Total amount of income earned prior to any deductions.

- Overtime
- Bonuses
- Shift differential
- Commission
- Anticipated raise (when increase can be documented)
Disability and Retirement Compensation

Total amount of compensation received prior to any deductions.

- Social Security Retirement
- Social Security Disability
- Pension

Requirements for Determining Annual Household Income

Chapter 8, Page 1

Annual income is the amount anticipated to be received by a household during the 12-month period following move-in or recertification effective date.

- Educational employees
- Nurses
- Servers & hair stylists
- Gig employees, freelancers including independent contractors

Methods for Projecting Annual Household Income

Chapter 8, Pages 1-2

Use current circumstances to anticipate annual income

- Income may not last a full 12 months, however; calculate assuming current circumstances will last a full 12 months. Example: unemployment and disability.

- Use information of changes expected to occur during the upcoming year if verification is available. Example: raises or overtime.
Verification of Income
Chapter 10

- General Requirements
- Timeframe
- Required Verification and Consent
- Methods
- Documenting
- Effective Term
- Inconsistent Information
- Management shall verify income prior to tenant move-in date.

Acceptable Forms of Verification:

Download example forms from:
www.floridahousing.org/owners-and-managers/compliance/forms

- Appendix J - Employment Verification
- Appendix K - Child Support Declaration
- Appendix L - Child Support Verification Form
- Appendix M - Zero Income Declaration
- Appendix N - Asset Declaration
- Appendix O - Student Status Declaration
- Appendix P - Student Verification Form
- Appendix Z - Declaration of Estrangement
Methods for Calculating Income

<table>
<thead>
<tr>
<th>Frequency of Pay</th>
<th>Calculation</th>
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<tbody>
<tr>
<td>Monthly</td>
<td>Calculate monthly income X 12</td>
</tr>
<tr>
<td>Twice a Month</td>
<td>Calculate bi-monthly income X 24</td>
</tr>
<tr>
<td>Every 2 Weeks</td>
<td>Calculate bi-weekly income X 26</td>
</tr>
<tr>
<td>Weekly</td>
<td>Calculate weekly income X 52</td>
</tr>
</tbody>
</table>

Example #1
Calculating Annual Household Income

Ron, a public school teacher earns $27,000/year. Although the school is in session for only nine months, he receives the remaining parts of his salary when school breaks for the summer. His employment verification from the District School Board supports this figure with the following calculation:

- 9 months X $2,500 = $22,500
- 3 months X $1,500 = $4,500

Annual Household Income = $27,000

Upon further research it was found that during the summer months, Ron tutors and earns on average $2,150 per year.

- 9 months X $2,500 = $22,500
- 3 months X $1,500 = $4,500
- Summer months tutoring = $2,150

Actual Annual Household Income = $29,150
Example #2

Mary, a sales representative for a pharmaceutical supply firm, has a third party verification form showing her gross salary as $32,897 per year. The Verification also shows she is eligible for bonuses that are capped at 10% of her yearly salary.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Gross salary</td>
<td>$32,897.00</td>
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<tr>
<td>Bonuses</td>
<td>$3,289.70</td>
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<tr>
<td>Annual Household Income</td>
<td>$36,186.70</td>
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</tbody>
</table>

Example #3

Rachel works part-time at a department store. The third party verification states that her pay is $8.48 per hour and she works 15 to 20 hours per week, 52 weeks per year.

Which calculation would you use?:

- A = $8.48 \times 15 \times 52
- B = $8.48 \times 17.5 \times 52
- C = $8.48 \times 20 \times 52

Upon further review it was observed that Rachel has also been awarded child support in the amount of $200 per month through a court order. Rachel claims that she hasn't received any in the past year however she is unable to provide documentation of attempts to collect.

Would you include the amount listed on the court order?
Yes, you would include the amount as listed on the court order.

**New income calculation:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tr>
<td>Gross Salary from Employment</td>
<td>$8,819.20</td>
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<tr>
<td>Child Support</td>
<td>$2,400.00</td>
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<tr>
<td>Annual Household Income</td>
<td>$11,219.20</td>
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</tbody>
</table>

**Example #4**

A Military Professional applies and provides a copy of the LES statement. It is indicated that in addition to earned income ($25,000 per year), there is a clothing allowance and hostile fire pay.

Calculation is as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Total earned income</td>
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<tr>
<td>Clothing Allowance</td>
<td>$2,000</td>
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<tr>
<td>Hostile Fire Pay ($500 a month)</td>
<td>$6,000</td>
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<tr>
<td>Total Hostile Fire Pay is not included as income</td>
<td>($6,000)</td>
</tr>
<tr>
<td>Annual Income appears to total</td>
<td>$27,000</td>
</tr>
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</table>

Upon further review, it is determined the LES statement does not include a housing allowance (BAH) that will be received once the service member moves into your community.

Calculation is as follows:

<table>
<thead>
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<tr>
<td>Clothing Allowance</td>
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<td>Hostile Fire Pay ($500 a month)</td>
<td>$6,000</td>
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<td>Hostile Fire Pay is not included as income</td>
<td>($6,000)</td>
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<tr>
<td>Housing allowance ($900 a month)</td>
<td>$10,800</td>
</tr>
<tr>
<td>Annual Income appears to total</td>
<td>$37,800</td>
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</table>
What is an Asset

Items of value, other than necessary personal items, which are considered in determining the eligibility of the household.

Refer to Chapter 9 pages 1-10
- Appendix G for included assets.
- Appendix H for excluded assets.

What is the value of an asset

The cash value of an asset is the market value less reasonable expenses that would be incurred in selling or converting the Asset to cash.

Refer to Chapter 9, Page 1

Assets from Real Estate

The Equity in the Real Estate is the Asset.
Refer to Chapter 9, pg 2
Equity = Value reduced by what is owed.

A. Is the Real Estate being sold?
B. Is there Rental Income from the Real Estate?
Example #1

Calculating Income From Assets Under $5000
Household Assets:
- Checking Account: Avg. 6 mo. Bal. = $2,500
- Savings Account: Current Bal. = $1,200
- Certificate of Deposit: Amount = $500

Total Assets = $4,200

Income from Assets:
- Checking Account: ½% interest = $12.50
- Savings Account: 1% interest = $12
- Certificate of Deposit: 2.5% interest = $12.50

Total Income = $37.00

Example #2

Calculating Income From Assets Over $5000
Household Assets:
- Checking Account: Avg. 6 mo. Bal. = $3,500
- Savings Account: Current Bal. = $3,800
- Certificate of Deposit: Amount = $5000

Total Assets = $12,300

Income from Assets:
- Checking Account: ½% interest = $17.50
- Savings Account: 1% interest = $38.00
- Certificate of Deposit: 2.5% interest = $125.00

Total Income = $180.50

Imputed Income = $7.38

Verification of Assets

Chapter 10, Page 1

Housing Credit, SAIL, TCAP and TCEP - When the aggregate (combined) value of all household assets exceeds $5,000, verify all assets and asset income through a third party. Self-certification permitted when aggregate value is $5,000 or under. Appendix N Household Assets Sworn Declaration.

MMRB & HOME - Verify all assets and asset income through a third party.
### Utility Allowance

**PROJECT:**
- **PROJECT NO:**
- **PROJECT ADDRESS:** MIAMI - DADE COUNTY
- **UNIT TYPE/MONTHLY DOLLAR AMOUNT**
- **UTILITY OF SERVICE**
  - **HEATING:**
    - A. NATURAL GAS*: 2 22 3 34
    - B. ELECTRIC***: 47 9 1 1 1 1 2 1 2
    - C. BOTTLE GAS  ** (PROPANE): 3 3 4 4 6 6 6
  - **COOLING:**
    - A/C Reverse Cycle: 17 20 20 25 28 35 41
    - A/C: 15 19 22 25 27 31 37
  - **COOKING:**
    - A. NATURAL GAS*: 4 44 5 56
    - B. ELECTRIC***: 11 11 14 14 17 17 19
    - C. BOTTLE GAS  ** (PROPANE): 99 9 1 0 1 0 1 0
  - **OTHER ELECTRIC:** LIGHTING, REFRIGERATION, ETC.: 17 20 22 24 26 26 26
  - **WATER HEATING:**
    - A. NATURAL GAS*: 66 8 1 1 1 5 1 8 2 4
    - B. ELECTRIC***: 11 18 22 25 30 35 35
    - C. BOTTLE GAS  ** (PROPANE): 18 18 25 28 35 35 35
  - **SEWER**: 10 15 17 22 21 24 27
  - **TRASH/GARBAGE COLLECTION**: 8 8 8 8
  - **IF SINGLE FAMILY HOME, DUPLEX OR TOWNHOUSE**: 30 30 30 30 30 30
  - **RANGE (USEFUL LIFE 120 MO./$266 (30" COST)**: 3 3 3 3 3 3
  - **REFRIGERATION (USEFUL LIFE 120 MO./$360 (18 c.f. COST)**: 3 3 3 3 3
  - **OTHER**: MONTHLY SERVICE FEE FOR TENANTS WHO HAVE ONE OR MORE OF THESE APPLIANCES: ONE CHARGE ONLY
  - ***NATURAL GAS customer add:** 7777 7 77
  - ****BOTTLE GAS customer add:** 5555 5 55

**TENANT PAID UTILITY SERVICE CHARGE TOTAL**

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<td>22 25</td>
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<td>25 28</td>
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</tr>
</tbody>
</table>

Shaded Items are the Amounts that apply for this Sample

| OWNER PAID UTILITY TOTAL | 98 | 114 | 129 | 60 |
Utility Allowance Requirements

Documentation of utility allowance shall be readily available to any interested party.

IRS regulations (26 CFR 1.42-10) require that the utility allowance be used to calculate restricted rents due 90 days after the effective date of a new PHA utility allowance.

Utility Allowance Requirements

IRS regulations (26 CFR 1.42-10) require a 90-day minimum notice to existing tenants prior to implementation of a new utility company estimate (provider letter) or energy consumption model utility allowance.

Utility Allowance Requirements

How often must you update the Utility Allowance?

A utility allowance for Housing Credit, SAIL, TCAP or TCEP must be updated at least once during each calendar year. When a PHA utility allowance is the type used, more frequent PHA confirmation may be necessary in order to implement within 90 days of the allowance becoming effective.
An owner may calculate a utility allowance estimate using an energy and water and sewage consumption and analysis model.

The model must take into account factors including unit size, building orientation, design and materials, mechanical systems, appliances, and characteristics of the building location.

The estimate must be calculated by an independent licensed engineer or qualified professional approved by Florida Housing.

Florida Housing staff must approve this owner estimate prior to implementation.

Procedures and list of approved providers are located at the following URL:

www.floridahousing.org/owners-and-managers/compliance/utility-allowance
Tenant Income Certification and Lease

- All occupants of the household named
- Rental amount
- Actual move-in date and lease term
- Minimum initial six-month lease term except HOME which requires initial and ongoing one-year terms.

Requirements in the ELIHA or LURA

- Set-asides
- Unit features
- Development amenities
- Tenant Programs
  - Financial Programs
  - Computer Labs
  - Health Care
- Special Needs Household requirements
  - LINK to housing and supportive services

Annual Recertification

WHO?

- All Florida Housing programs (excluding Pre-1986 MMRB) shall recertify their residents.
Annual Recertification

WHAT?

- The same items verified at Initial Certification (Chapters 7, 8, and 9)

Annual Recertification

WHEN?

- When required, it is suggested that the recertification be completed by the 1st day of the anniversary month of initial occupancy. (Chapters 3, 4, 5, 6, and 7)

Annual Recertification

WHO, WHAT, WHEN

- All Florida Housing programs
- The same information originally collected
- Complete no later than the anniversary of initial occupancy.
- For convenience, may complete by the 1st day of each anniversary month
- A development which certifies less than 100% of its units as low-income.
Annual Recertification

EXCEPTION

- A development which certifies 100% of its units as low-income performs only one income redetermination which is effective on the 1st anniversary of move-in or initial certification.
- Annual determination of student status shall be required for all households.

NOTE: Exception not applicable to HOME units

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Annual Recertification

- Recertification Questionnaire
- New Occupant Application
- Student Sworn Declaration or 3rd party
- Asset Sworn Declaration or 3rd party
- Child Support Sworn Declaration or 3rd party
- Zero Income Sworn Declaration

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Annual Recertification

- Child Support Sworn Declaration
- Employment Verification
- Tenant Income Certification - Appendix Q
- Instructions Appendix R
Next Available Unit Rule and Documentation

Next Available Unit Rule
Who?

- All rental housing programs administered by Florida Housing Finance Corporation (MMRB, SAIL, RRLP, HC, TCEP, TCAP and HOME)

Next Available Unit Rule
When?

- If a certified household vacates a unit
- If, at recertification, a household’s aggregate income exceeds 140% of the low-income limit (MMRB, SAIL, RRLP, HC, TCEP and TCAP) or exceeds the applicable 80% HOME income limit (HOME).
Next Available Unit Rule
How to comply?

An over-income household shall continue to qualify if:
- All comparable units that become available are rented to a low or very-low income household (HOME), or
- All units of same or smaller size in the building that become available are rented to a low-income household (MMRB, HC, TCEP and TCAP), or

Next Available Unit Rule
How to comply?

The over-income household shall continue to qualify if:
- All comparable units that become available are rented to a very-low income household (SAIL) or a low-income household (MMRB).
- Rent remains restricted (HC, HOME, TCEP, and TCAP only) according to program rules.

Next Available Unit Rule
How to Comply?

<table>
<thead>
<tr>
<th>60% 1BR</th>
<th>60% 1BR</th>
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</thead>
<tbody>
<tr>
<td>60% 1BR</td>
<td>60% 1BR</td>
</tr>
<tr>
<td>60% 1BR</td>
<td>MR 1BR</td>
</tr>
<tr>
<td>MR 1BR</td>
<td>MR 1BR</td>
</tr>
<tr>
<td>MR 1BR</td>
<td>MRV 1BR</td>
</tr>
</tbody>
</table>

January - Meeting the requirement of 50% at 60%
### Next Available Unit Rule

#### How to Comply?

<table>
<thead>
<tr>
<th>Exceeds 140%</th>
<th>Exceeds 140%</th>
</tr>
</thead>
<tbody>
<tr>
<td>60% 1BR</td>
<td>60% 1BR</td>
</tr>
<tr>
<td>MR 1BR</td>
<td>MR 1BR</td>
</tr>
</tbody>
</table>

**March, several units recently exceed 140%; still OK**

<table>
<thead>
<tr>
<th>Exceeds 140%</th>
<th>Exceeds 140%</th>
</tr>
</thead>
<tbody>
<tr>
<td>60% 1BR</td>
<td>60% 1BR</td>
</tr>
<tr>
<td>MR 1BR</td>
<td>MRV 1BR</td>
</tr>
</tbody>
</table>

**May 1st, several units vacate; still OK**

<table>
<thead>
<tr>
<th>Exceeds 140%</th>
<th>Exceeds 140%</th>
</tr>
</thead>
<tbody>
<tr>
<td>60% 1BR</td>
<td>60% 1BR</td>
</tr>
<tr>
<td>MR 1BR</td>
<td>MRV 1BR</td>
</tr>
</tbody>
</table>

**May 12th, 2 units are leased to qualified residents; still OK**
### Next Available Unit Rule
#### How to Comply?

<table>
<thead>
<tr>
<th>Exceeds 140% 1BR</th>
<th>Exceeds 140% 1BR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1BR</td>
<td>1BR</td>
</tr>
<tr>
<td>60% 1BR</td>
<td>60% 1BR</td>
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<tr>
<td>MR 1BR</td>
<td>MR 1BR</td>
</tr>
<tr>
<td>60% 1BR</td>
<td>MR 1BR</td>
</tr>
</tbody>
</table>

May 20th, 1 unit is leased to a MR resident

### Next Available Unit Rule
#### How to Comply?

<table>
<thead>
<tr>
<th>NC Unit 1BR</th>
<th>NC Unit 1BR</th>
</tr>
</thead>
<tbody>
<tr>
<td>NC Unit 1BR</td>
<td>60% 1BR</td>
</tr>
<tr>
<td>60% 1BR</td>
<td>MR 1BR</td>
</tr>
<tr>
<td>MR 1BR</td>
<td>60% 1BR</td>
</tr>
<tr>
<td>60% 1BR</td>
<td>MR 1BR</td>
</tr>
</tbody>
</table>

Result is permanent loss of 3 units that exceed 140% cap

### Next Available Unit Documentation
#### Appendix W
Instructions Appendix X

**How to Complete the Form**
### Next Available Unit Documentation

**Appendix X**  
**Instructions Appendix W**

<table>
<thead>
<tr>
<th>MOVE-OUT / MOVE IN</th>
<th>BLDG.</th>
<th>ADDRESS / UNIT NUMBER</th>
<th>UNIT</th>
<th>SQUARE FT</th>
<th>TENANT NAME</th>
<th>LAST, FIRST</th>
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<tbody>
<tr>
<td>4/9/1999 105</td>
<td>2</td>
<td>850</td>
<td>Williams, et al</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6/18/1999 201</td>
<td>2</td>
<td>850</td>
<td>Polite</td>
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<td></td>
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<tr>
<td>3/10/2000 104</td>
<td>1</td>
<td>850</td>
<td>Hall</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4/10/2000 102</td>
<td>3</td>
<td>1050</td>
<td>Parson</td>
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<td></td>
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<tr>
<td>9/14/2000 202</td>
<td>1</td>
<td>650</td>
<td>Sanders</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1/12/2001 103</td>
<td>2</td>
<td>850</td>
<td>Scott</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Next Available Unit Documentation

**Appendix X**  
**Instructions Appendix W**

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
<th>OUT</th>
<th>IN</th>
<th>INCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<table>
<thead>
<tr>
<th>RECEIVED</th>
<th>INCOME Exceeds Median Unit</th>
<th>EFFECTIVE DATE</th>
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<tbody>
<tr>
<td>YES</td>
<td>NO</td>
<td></td>
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</tbody>
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### Next Available Unit Documentation

**Appendix X**  
**Instructions Appendix W**

<table>
<thead>
<tr>
<th>LOW INCOME Unit to be Vacant Unit</th>
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<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
<th>MOVE</th>
</tr>
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<tbody>
<tr>
<td></td>
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</tbody>
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<table>
<thead>
<tr>
<th>LOW INCOME</th>
<th>MOVE</th>
</tr>
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<tbody>
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</table>

<table>
<thead>
<tr>
<th>INCOME Exceeds Median Unit</th>
<th>EFFECTIVE DATE</th>
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<tbody>
<tr>
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</table>

### Next Available Unit Documentation

**Appendix X**  
**Instructions Appendix W**

Next Lower-Income Unit Rented

<table>
<thead>
<tr>
<th>ADDRESS / UNIT NUMBER</th>
<th>TENANT NAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>103</td>
<td>Scott</td>
</tr>
</tbody>
</table>
Next Available Unit Documentation

The Form Documents:
- Move-ins
- Move-outs
- Certified vacant units

Next Available Unit Documentation

The form also documents the unit which satisfies the Next Available Unit requirements for a recertified household found to be over-income:
- Income exceeds 140% of the low-income limit (MMRB, HC, TCEP or TCAP),
- Income exceeds 140% of the very low-income limit (SAIL), or
- Income exceeds the applicable HOME program 80% low-income limit (HOME)

Program Reports

- REPORTING REQUIREMENTS
- LINE-BY-LINE INSTRUCTIONS
What is Reported?

- Occupancy and Vacancy of Development
- Set-aside Requirements
- Recertification Status of Each Unit
- Income and Rent Restrictions
- Categorical Requirements
- Public Purpose Requirements

Reporting Requirements
Chapter 11

MMRB
SAIL
HC
TCEP

HOME
RRLP
TCAP

Program Report Recap
Submission to Monitor

<table>
<thead>
<tr>
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<th>Once-Per-Year</th>
<th>Name Begin</th>
<th>Ending-Date</th>
<th>Due-Date</th>
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<tr>
<td>Ae - En</td>
<td>September-30</td>
<td>October-15</td>
<td></td>
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<tr>
<td>Fe - Me</td>
<td>December-31</td>
<td>January-15</td>
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<td></td>
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<tr>
<td>No - Re</td>
<td>March-31</td>
<td>April-15</td>
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</tr>
<tr>
<td>Su - Ze</td>
<td>June-30</td>
<td>July-15</td>
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### Program Report Recap

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</table>

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### Program Report Recap

<table>
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<tr>
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### Program Report Recap

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<th>1</th>
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</tbody>
</table>

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# Program Report Recap

<table>
<thead>
<tr>
<th>Item</th>
<th>Reporting Period</th>
<th>Total</th>
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</thead>
<tbody>
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</tbody>
</table>

# Program Report - Summary

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Value</th>
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</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>

# Summary Page 1, Part 1

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
EMAIL PROGRAM REPORTS TO:
Florida Housing Finance Corporation
compliance.reporting@floridahousing.org

AmeriNat
compliance@amerinatls.com

First Housing
compliance.reporting@firsthousingfl.com

Seltzer Management Group, Inc.
compliance.reporting@seltzermanagement.com
Compliance Procedures

- Regulatory Period
- Record Keeping
- Introductory Conference
- Management Review and Physical Inspection
- UPCS Violations
- Noncompliance Issues

COMPLIANCE REGULATORY PERIOD
Use the most stringent rule for multiple programs

- Housing Credit (HC)
  - Beginning Date: The year the first building was placed in service or the year following - Owner's option.
  - Ending Date: Document specific. Refer to the regulatory agreement Extended Use Period definition and Term - Sec. 6(c); 30 to 50 years.

- TCEP
  - Beginning Date: Jan. 1st of the year following the last building's placed in service date.
  - Ending Date: Document specific. Refer to the regulatory agreement Compliance Period definition and Term - Sec. 6(c); up to 50 years.

- TCAP
  - Beginning Date: The year the first building was placed in service or the year following - Owner's option, or LURA effective date.
  - Ending Date: Document specific. Refer to the regulatory agreement Compliance Period definition and Term - Sec. 6(c); up to 50 years.

- SAIL or RRLP
  - Beginning Date: Document specific, may be any combination:
    a. Date first unit is occupied; or
    b. If occupied at closing, the loan closing date; or termination date of the last lease executed prior to loan closing.
  - Ending Date: Document specific. Refer to the regulatory agreement Term - Article VIII; up to 50 years.
**COMPLIANCE REGULATORY PERIOD**

Use the most stringent rule for multiple programs

- **HOME**
  - **Beginning Date:**
    - Document specific, may be any combination:
      - a: Date first unit is occupied; or
      - b: When occupied at closing, the loan closing date; or
      - c: When occupied at closing, the date that is the earlier of:
        1. Termination of the last lease executed prior to loan closing, or
        2. Completion of the Development as reported to HUD.
  - **Ending Date:**
    - Document specific. Refer to the regulatory agreement Term – Article IX; up to 50 years.

- **MMRB (Bond)**
  - **Beginning Date:**
    - The date occupancy level reaches 10%.
  - **Ending Date:**
    - Document specific. Refer to the regulatory agreement Term – Section 23; up to 50 years.

**RECORD KEEPING**

Multiple Programs
- Use the most stringent rule

HC, TCEP and TCAP
- Maintain records on a building by building basis
- Retain first year files for at least 6 years beyond due date of tax filing for last year of Compliance Period for the last building (approximately 21 years).
- All other files are kept 6 years past due date for filing that year’s taxes

SAIL/BOND
- 6 years after tenant moves out, or applicant is rejected

HOME
- Later of: LURA Term or 5 years after affordability period ends (minimum affordability is 15 years for rehabilitation and 20 years for new construction).
IMPROPER FILE STORAGE

FIRST OCCUPANCY FILES
Proper File Storage Must Be:
- Offsite
- Secure
- Flood Proof
- Fire Proof

Failure to BACKUP and securely store First Occupancy File’s can result in TAX CREDIT LOSS
INTRODUCTORY CONFERENCE

Items discussed during an introductory conference are found in:
Chapter 2, Pages 4 & 5 of the Compliance Guidebook

Management Review and Physical Inspection

- Administrative procedures
- File inspection
- Physical inspection
- Management review report
- Response to Management Review
- Close-out letter

Examination of Records

- Rent and Income Limits
- Utility Allowance
- Tenant Programs and Services
- Communication with Link Referral Agency
Files Inspected

- Tenant Income Certification
- Application
- Verification of Income
- Tenant Rent Ledgers
- Lease
- Recertification
- Student Verification

What type of documentation can be used to show compliance with required programs and services?

- Notice of the activity provided to residents (flyer)
- Sign-in sheet
- Pictures
- Homeownership opportunity program acknowledgement/lease addendum
- Dates within required timeframe

UNIFORM PHYSICAL CONDITION STANDARDS (UPCS) 24 CFR 5.703

Decent, Safe, Sanitary and in Good Repair

Violations include, but are not limited to:

- All smoke detectors in unit do not work
- One or more stove burners do not work
- Bed bugs or other pest infestation
- Graffiti
- Units unsuitable for occupancy
Response to Management Review Report

- Acknowledgement due within 10 days
- Response due within 30 days
- Response letter must be sent to the Monitoring Agent with a copy to Florida Housing
- Send back-up documentation to ONLY the Monitoring Agent with your written response.

Examples of Noncompliance

- Income exceeds income limit
- Rent charges exceed maximum allowed
- Units unsuitable for occupancy
- Pest infestation
- Expired fire extinguisher
- Inoperable smoke detector

Noncompliance Issues

What could happen if noncompliance is not cured within a reasonable time?
Correcting Noncompliance

Florida Housing and the Monitoring Agents are committed to working with the owners and management personnel to effectively resolve noncompliance issues in a timely manner.

Approval, Requests and Changes

- Management Company Selection
- Acknowledgement of units exempted from certification requirements to house a resident manager/maintenance employee and/or a security officer
- Affirmative Fair Housing Marketing Plan (HOME)
- Energy Consumption Model Utility Allowance

Requests to Florida Housing’s Compliance Staff:
FHFCAssetMgt@floridahousing.org

- Approval of proposed management company selection
- Acknowledgment that a unit is exempted from certification requirements to provide a residence for a manager/maintenance employee (EM) or security officer (ES)
- Signatory authority for MMRB Certificate of Continuing Program Compliance (CCPC)
- Affirmative Fair Housing Marketing Plan (AFHMP)
- Approval to implement or renew a utility allowance based upon an Energy Consumption Model estimate (ECM)
Management Company Selection

Selection must be made by legal signatory for owner.

Approval of selection by Florida Housing required prior to management company becoming responsible for development.

- Requires real estate licensure.
- Requires completion of management company questionnaire; executed by legal signatory for management company.
- Requires submission of document examples.

Management Unit
Exempt from Income Certification

IRS Revenue Ruling 92-61
To provide a residence for full-time manager or maintenance employee

- House the employee in non-set aside portion of Development when total set-aside requirement is less than 100%.
- House the employee in any unit when set-aside requirement totals 100%:
  - Request in writing by owner or management (not on-site staff)
  - Request must include employee's position and reason for living on site

Courtesy (Security) Officer Units
Chapter 5, Page 8

IRS Revenue Ruling 2004-82 provides guidance

- Request in writing by owner or management
- Must be reasonably required
- Provide documentation to support request
Units Exempt from Certification
Chapter 5, Page 8

Florida Housing acknowledgement required prior to move-in of first exempted employee/courtesy officer.

After acknowledgement:
- List unit(s) on program report
- Changes in the need for the unit are documented on program report
- Unit vacancy noted on program report

Affirmative Fair Housing Marketing Plan

What is it?
A marketing plan that includes affirmative steps to market to those who are least likely to apply for the housing you are developing or managing.

When is it required?
For all developments funded with HOME funds or insured by HUD Risk.

Why is it required?
It is a proactive measure to eliminate segregation in housing financed by HUD.

How often is the Plan Reviewed/Updated?
Every five (5) years.

Is Training Required?
Yes, staff should be trained on Federal and Local Fair Housing Laws and Regulations by a HUD sponsor or Fair Housing Professional.

Affirmative Fair Housing Marketing Plan
Changes from HUD Guidance of 09/22/2014

- No AFHMP Update required, if owner determines:
  - The population(s) least likely to apply for housing are identified in the current AFHMP; and
  - The advertising, publicity or outreach activities described in the current AFHMP satisfactorily target the least likely to apply population(s) identified in the owner's analysis.
Affirmative Fair Housing Marketing Plan

Documentation Required- AFHMP Update

- A completed Form HUD-935.2A with required supporting documentation

Documentation Required- NO AFHMP Update

- Owner's certification that analysis demonstrates the current marketing and outreach strategies target least likely to apply population(s) identified in current AFHMP. (Certification form to be provided by Florida Housing)

- Owner's analysis of housing market area determining least likely to apply population(s)

Affirmative Fair Housing Marketing Plan

URL to form HUD-935.2A and Instructions

URL to HUD's 9/22/2014 Guidance on AFHMP

Need Technical Assistance?
Contact: FHCAstMgt@FloridaHousing.org

Florida Housing Finance Corporation (Florida Housing) Information Updates

- Email Program Reports to: Compliance.Reporting@floridahousing.org
- Email Management Review response letters without supporting documentation to: ComplianceReview@floridahousing.org
- Email Program Report-related correspondence to: ComplianceMail@floridahousing.org
- Find your Development's unique key number: www.floridahousing.org/Owners-and-Managers/Compliance/Forms
- Request key number if not found on the list: FHCAstMgt@floridahousing.org
Stay Connected via FHFC’s Listserv

1. Go to floridahousing.org

2. New subscribers will be prompted to create and register a password.
   - An email message with a confirmation link will be sent to your address.
   - When the message arrives follow instructions within 48 hours to confirm the subscription.

3. Login.