



NEAHMA Rhode Island Agency Forum

March 28, 2024



Agenda

- Michael DiChiaro
 - Agency Updates
 - Development Updates
- Hope Lanphear
 - Department Updates
 - HOTMA Overview
 - MOR Tips & Tricks
- Brittany Toomey
 - Procorem
 - NSPIRE Overview



Leased Housing

- Housing Choice Voucher Team
 - Reorganization
 - Family Unification Program (28)
 - Veterans Affairs Vouchers (25)
 - HUD 811 Vouchers (Applied for 150)



Servicing Portfolio

Program	As of <u>02/29/24</u>	<u>2024</u> Invested
RIH Single-Family Portfolio	22,015 loans	\$2.85 billion
Multi-Family Portfolio	742 loans	\$1.08 billion
MSS Single-Family Portfolio	6,678 Loans	\$729.50 million
Madeline Walker Portfolio	131 liens	\$1.11 million
REO Portfolio	7 homes	\$1.56 million
TOTALS		\$4.66 billion



Rental Production

Projected Closings CY 2024		
Type	# of Deals	# of Units
New Production 9%	4	273
New Production - 4% Tax Exempt Deals	6	455
Preservation - 4% Tax Exempt Deals	4	676
Non-LIHTC Deals	3	150
Totals	17	1554



Development Request For Proposal

- Proposals Received in January
- Mix of Federal and State –funded programs
- 79 Applications Received
 - 10 9% LIHTC
- \$345,650,931 requested in subordinate financing
- \$88,000,000 available (25% of total requests)



Current RFP (Gap Financing)



# of Afford Units up to 80%	2,853
# Middle Income Units	38
# of Market Units	693
Total Units	3,584

Housing Trust Fund	\$ 10,576,655
HOME	\$ 11,505,048
Capital Magnet Fund	\$ 16,359,998
Dev't of Affordable Housing	\$ 136,104,509
Community Revitalization	\$ 21,447,200
Acquisition Revitalization Program	\$ 20,086,830
Middle Income Program	\$ 30,312,124
TOD Program	\$ 10,877,314
Priority Projects Fund	\$ 67,775,667
BHRI	\$ 20,605,586
Total Subordinate Debt Request	\$ 345,650,931



Questions?



Leased Housing - Staffing Updates

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RIHousing Agency Updates

• **Waitlist Policy**

▪ [Program Bulletin 2024-01](#)

- This Program Bulletin provides guidance and establishes RIHousing's formal policy for requiring wait lists in LIHTC and RIHousing funded affordable rental developments.
- Anyone who wishes to be admitted to an assisted property or placed on a property's waiting list must complete an application which identifies the specific property name of where they are applying to.

• **Rent Increase Policy**

▪ Program Bulletin 2024-02

- This Program Bulletin provides guidance and revises RIHousing's formal policy for approving rent increases on units in RIHousing financed and LIHTC funded rental developments.
- Tenant rent may be increased up to five percent (5%) annually; increases exceeding 5% require pre-approval from RIHousing.
- Not applicable to subsidized units, including Housing Choice Voucher units





HOTMA

Housing Opportunity Through Modernization Act of 2016
(HOTMA)

THIS IS NOT A TRAINING



Tenant Selection Plan



Corrections by 5/31/2024

- De minimis errors
- Self-certification of net family assets
- Hardship exemptions for health and medical care/disability assistance expenses and child care
- IRs: increases, decreases, and reporting
- Revocation of consent
- Determination of family income using Safe Harbor verifications



EIV Policies and Procedures



Corrections by 5/31/2024

Use during IRs

- Earned income increases
- Income Reports when using Safe Harbor verifications
- Note: MFH Owners must continue to follow their existing Tenant Selection Plans and EIV policies & procedures until the MFH Owner's software is compliant with TRACS 203A.



HOTMA - MORs

- Prior to January 1, 2025, MFH Owners will not be penalized for HOTMA-related tenant file errors during Management and Occupancy Reviews (MORs). Instead, the Contract Administrator will issue observations with corrective actions.
- After January 1, 2025 Owners must correct all HOTMA-related observations that were issued by Contract Administrators during 2024.



HOTMA - Things to Think About

- Get trained!
- Update your software
- Update your policies and forms
- Keep an eye out for HUD updates and resources
- Keep an eye out for bulletins from RI Housing



HOTMA and LIHTC

- IRS has verbally confirmed its their intention to follow the HOTMA final rule in regard to determining income and assets and will allow for self-certification of assets when the cash value does not exceed \$50,000
- Our tax credit policies will continue to mirror Section 8 as far as income and asset verification is concerned
 - If you can use a verification for section 8 we will accept it for tax credit
 - We will not be making the tax credit program more restrictive in terms of eligibility.
 - **This is not yet in effect! We will post a program bulletin when we make any changes to our TC policies**





MORs – Tips and Tricks

Management and Occupancy Reviews for PBCA



Management and Occupancy Review (MOR) Process

Notification

- Typically, 30 days ahead of time
- Upload to SharePoint
- Access SharePoint to start early

Closer to the date

Check in to schedule day-of appointments

Day of the MOR

- Physical
- Interview
- File Review
- Exit Interview

MOR Report

- To you within 30 days

Management Response

- Due within 30 days

Resources On Our Website

www.rihousing.com/section-8-contract-administration/

SECTION 8 CONTRACT ADMINISTRATION

The Project-Based Section 8 program is one of the largest housing resources for low-income individuals and families in Rhode Island. RIHousing serves as the Contract Administrator on behalf of HUD for project-based Section 8 in Rhode Island. Under the program, a Housing Assistance Payment (HAP) contract is entered between HUD and the project's owner for a specific period of time. Eligible tenants generally pay 30% of adjusted income toward rent and HUD provides the HAP subsidy for the remaining portion of the rent to the owner.



As Contract Administrator, RIHousing:

- Processes monthly tenant vouchers
- Processes Housing Assistance Payments
- Processes rent and utility adjustments
- Performs Management and Occupancy Review, that includes a physical inspection

Management and Occupancy Reviews



Annual Rent Adjustments (OCAFs and RCSs)



Contract Renewals



Vouchers and Special Claims



MOR Streamlining

- Previously we have been performing MORs in waves, at a rate of about once every 18 months.
- In July of 2022 HUD issued a final rule on risk-based Management and occupancy reviews
- Any MOR performed after 9/26/2022 will have it's next MOR determined by a combination of it's score and risk-rating
- It looks like we'll be finishing this up this summer.
- Most MORs are falling under the 3-year schedule.
- You can now ask your AM when your next MOR needs to happen by (no promises)



Previous MOR:	Unsatisfactory	Below Average	Satisfactory	Above Average	Superior
	<i>Next MOR must be conducted within...</i>				
Risk Classification: Troubled	12 months of previous MOR	12 months of previous MOR	12 months of previous MOR	12 months of previous MOR	12 months of previous MOR
Risk Classification: Potentially Troubled	12 months of previous MOR	12 months of previous MOR	12 months of previous MOR	12 months of previous MOR	12 months of previous MOR
Risk Classification: Not Troubled	12 months of previous MOR	12 months of previous MOR	24 months of previous MOR	36 months of previous MOR	36 months of previous MOR



Streamlining *(cont.)*

- An MOR must be conducted within six months of a management or ownership change
- CA staff must review all documentation in the tenant file going back to the date of the last MOR.
 - This means if you had an above average and your last MOR was 3 years ago, we will be looking at 3 years of certifications in your files.
- The Final Rule also clarifies that even though HUD is publishing this schedule, HUD or a CA retains the right to schedule a MOR at any time if:
 - HUD publishes a new MOR schedule after public comment;
 - Documented concerns at the project warrant an assessment; or
 - The project's condition or risk rating worsens.





Questions?

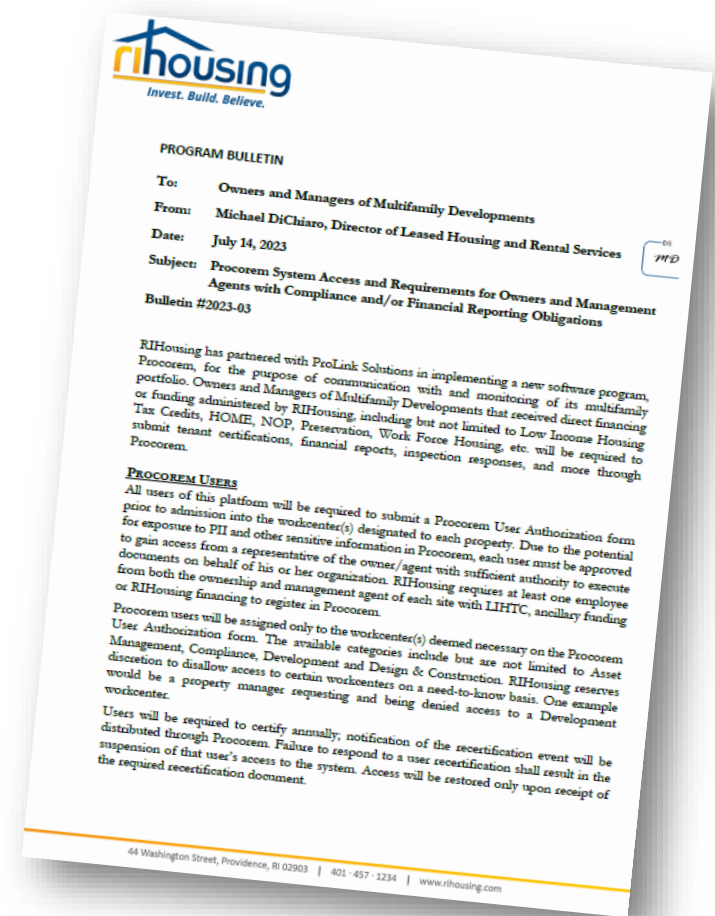






Program Bulletin #2023-03 circulated on July 14, 2023

- Procorem Workcenters
- Tenant Events
- Square Footage of Units
- Asset Management
- Multifamily Inspections & File Reviews
- Owner's Certifications





PROCOREM USER AUTHORIZATION FORM

Register for access to your workcenters in Procorem [here](#)
[Property Managers Owners Training and Opportunities | RIHousing](#)

RIHousing Resources

Procorem Resources

Presentations

Partner Trainings & Events

Each user must complete Sections I, II, and III. In addition, Asset Management and/or Compliance users must complete Section IV; Underwriting and/or Design & Construction users must complete Section V. Users must be authorized by an approver in Section VI.
Submit the completed form to your Asset Manager or Development Officer. Deactivation requests must be received within two (2) business days of an employee's termination or change in job function. Recertification will be required annually. **Users may not authorize themselves.**

I. Type of Request Select the certification type for this user.

Activate User Recertify User Deactivate User

II. Environment Indicate the work center environment(s) for this user.

EXISTING PROPERTIES: Asset Management Compliance
NEW DEVELOPMENTS OR REFINANCE: Underwriting Design & Construction

III. User

Effective Date: _____
Authorized User (Employee Name): _____
Authorized User's Title: _____
Authorized User's E-mail Address: _____

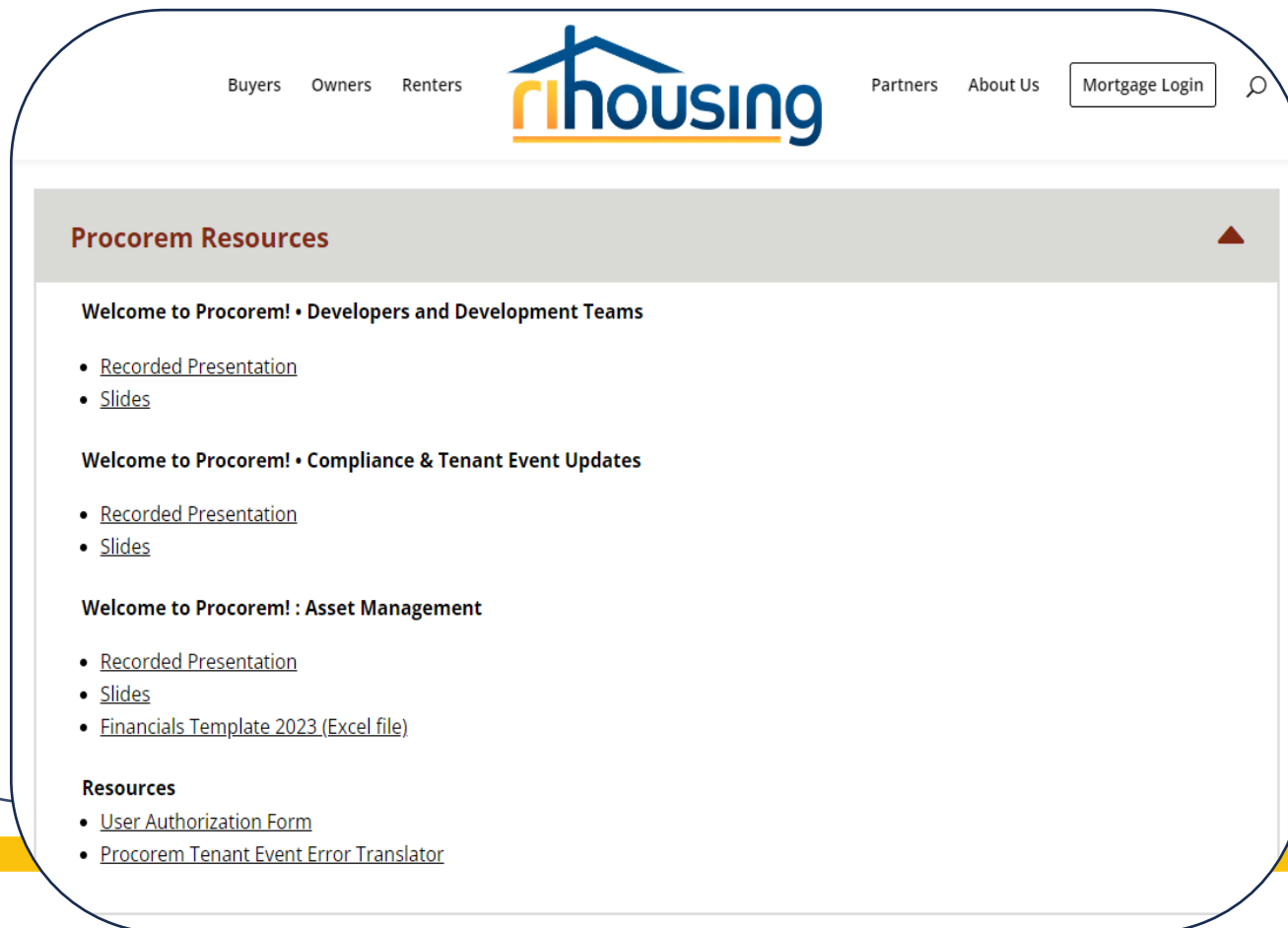
IV. Management


Management Company: _____
Management Company Address: _____
Management Company City, State, Zip: _____
Properties User is responsible for: _____



Procorem Resources

Visit RIHousing's [Training & Opportunities](#) page for recorded training presentations, the corresponding slide decks, and more!

A screenshot of the RIHousing website's "Procorem Resources" page. The page has a white background with a grey header bar. The navigation menu includes "Buyers", "Owners", "Renters", "Partners", "About Us", and a "Mortgage Login" button. The "rihousing" logo is centered in the header. The main content area is titled "Procorem Resources" and contains three sections of resources, each with a list of links. The first section is "Welcome to Procorem! • Developers and Development Teams" with links for "Recorded Presentation" and "Slides". The second section is "Welcome to Procorem! • Compliance & Tenant Event Updates" with links for "Recorded Presentation" and "Slides". The third section is "Welcome to Procorem! : Asset Management" with links for "Recorded Presentation", "Slides", and "Financials Template 2023 (Excel file)". A "Resources" section at the bottom contains links for "User Authorization Form" and "Procorem Tenant Event Error Translator".

Buyers Owners Renters  Partners About Us Mortgage Login

Procorem Resources

Welcome to Procorem! • Developers and Development Teams

- [Recorded Presentation](#)
- [Slides](#)

Welcome to Procorem! • Compliance & Tenant Event Updates

- [Recorded Presentation](#)
- [Slides](#)

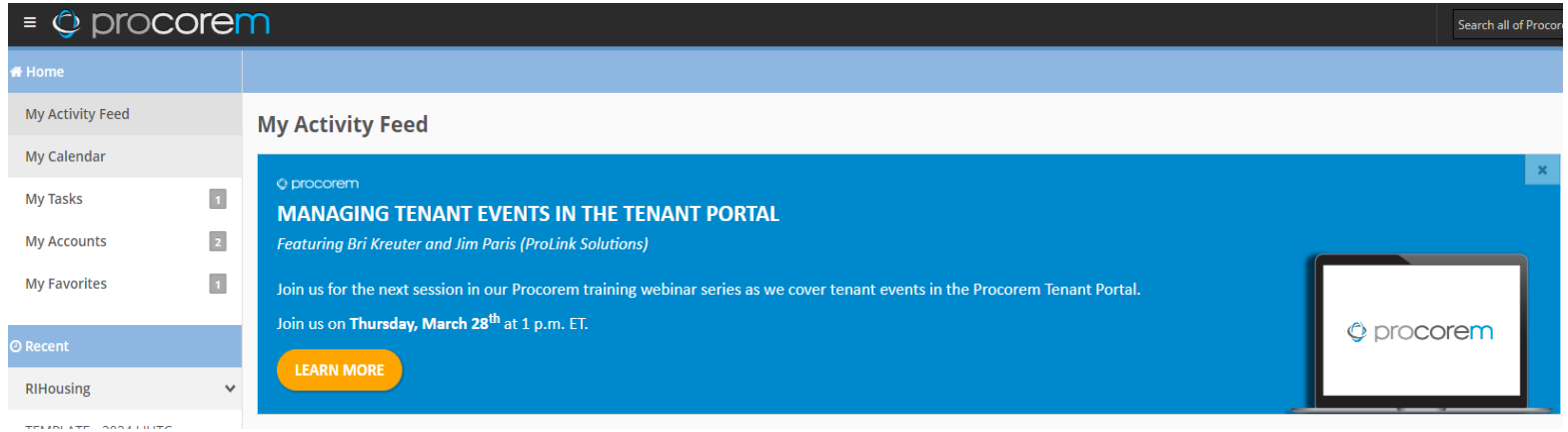
Welcome to Procorem! : Asset Management

- [Recorded Presentation](#)
- [Slides](#)
- [Financials Template 2023 \(Excel file\)](#)

Resources

- [User Authorization Form](#)
- [Procorem Tenant Event Error Translator](#)

Procorem Training Webinar 2024 - Managing Tenant Events in the Tenant Portal



Procorem Tenant Event Error Translator

Error Message	Translation	Resolution
A household Income record with a populated Annual Income amount is required for this event.	Household income is not populated	Enter household income. If household income is zero, create an income source in your property management software and list the amount as "0". Generate a new XML file and re-upload into the Tenant Event Portal.





New Financial Reporting Requirements using Procorem Software

- All financial submissions for budgets with fiscal year ending 12/31/24 should now be uploaded to their Procorem workcenters instead of being sent to Asset Management mailboxes.
- All future financial submissions, including budgets, audits and quarterly IOS statements, should be uploaded to related Procorem workcenter folders on or before their due dates.



Adding Tenant Events

RIHousing requires tenant event updates by the 10th of each month.

XML Import

- Generate the year-to-date XML file from property management software
- Upload the year-to-date XML file into the Tenant Event Portal
 - Yes, upload a file even if there were no changes to tenant events.
- Mark associated Tasks as Complete

Manual Entry

- Enter all tenant events that have taken place since the last update.
- Mark associated Tasks as Complete
- If there were no changes since the last upload, use the Comment option in the Tasks to communicate with your Asset Manager

The pale-yellow sections throughout the portal provide much of the information we're discussing and are worth reviewing if you have questions while importing tenant events.



Site Documents

Files

Sort Filter

...Up a level

- 8609**
11 months ago on (Apr 26 2023) by Lenore Coughlin
- 8823**
8 months ago on (Jul 16 2023) by Lenore Coughlin
- Agreements**
11 months ago on (Apr 26 2023) by Lenore Coughlin
- Tenant Selection Plan**
11 months ago on (Apr 26 2023) by Lenore Coughlin

LIHTC Compliance

Files

Sort Filter

- LIHTC Review**
3 months ago on (Jan 09 2024) by Lenore Coughlin
- Owner's Certification**
3 months ago on (Jan 09 2024) by Lenore Coughlin
- Waiting List Reporting**
3 months ago on (Jan 09 2024) by Lenore Coughlin

LIHTC Review

Files

Sort Filter

...Up a level

- LIHTC Inspection Findings**
3 months ago on (Jan 09 2024) by Lenore Coughlin
- LIHTC Inspection Response**
3 months ago on (Jan 09 2024) by Lenore Coughlin
- LIHTC Supporting Docs**
a few seconds ago on (Mar 25 2024) by Brittany Toomey
- LIHTC Tenant Files for Review**
3 months ago on (Jan 09 2024) by Lenore Coughlin





Questions?







- **Standards Notice Published June 22, 2023** ([Federal Register](#))
 - Includes the H&S classifications of **Life-threatening, Severe, Moderate, and Low**
 - Designates the three inspectable areas: **Unit, Inside, and Outside.**
 - Eight critical focus areas:



- **Effective January 2, 2024, RIHousing began using the NSPIRE inspection protocols for all LIHTC inspections.**
- To learn more about NSPIRE, please visit the HUD site:
https://www.hud.gov/program_offices/public_indian_housing/reac/nspire



8823's will be issued on any Life-threatening or Severe finding

(Multiple Units)
Health and Safety Report
NSPIRE



Scheduled: 01/30/2024

Closed: Mar 01 2024

ID:

Inspection Results - Health/Safety Only

Outside									
Location	Item	Results	Notes	Pic	Date	Fixed	Sev	Fix By	
Side of Building	Sharp Edges	Any item or component has a sharp edge that can puncture or cut	Broken window	1	01/30/24 09:43 BT		Severe	24H	
Inside									
Location	Item	Results	Notes	Pic	Date	Fixed	Sev	Fix By	
Hallways & Corridors (Bldg)	Conductors, Outlets, Switches	Outlet or switch is damaged		2	01/30/24 09:48 BT		LT	24H	
Laundry Room (Bldg)	Fire Extinguisher	The date on the fire extinguisher service tag has exceeded one year (Expired)		3	01/30/24 11:40 BT		LT	24H	
Unit									
Location	Item	Results	Notes	Pic	Date	Fixed	Sev	Fix By	
Bathroom 1	Mold-Like Substances	Moisture damage on a surface more than 9 S.F. (Units)		4	01/30/24 10:09 BT		LT	24H	





Three inspectable areas: Unit, Inside, and Outside.

(506965)

Test Site: (Multiple Units)
Annual Inspection Report
NSPIRE



Scheduled: 03/11/2024

Closed:

ID: 506965

Inspection Results

Outside								
Earle								
Location	Item	Results	Notes	Pic	Date	Fixed	Sev	Fix By
Parking Lot	Parking Lot	General Comment			03/11/24 12:59 BT			
Parking Lot	Parking Lot	Water or ice ponding more than 3 inches deep and affecting 5% or more of the parking area			03/11/24 12:59 BT		Mod	30D
Rear of Building	Exit Sign	Exit sign is missing			03/11/24 12:59 BT		LT	24H
Inside								
Earle								
Location	Item	Results	Notes	Pic	Date	Fixed	Sev	Fix By
Alternate Location - See Notes for Details	Boiler Certification	CERTIFICATION: Missing/Expired/or Not Displayed			03/11/24 13:00 BT			N/A
Kitchen (Bldg)	Kitchen Sink	A sink is clogged/not draining			03/11/24 12:59 BT		Mod	30D
Unit								
Earle: Unit E-101								
Location	Item	Results	Notes	Pic	Date	Fixed	Sev	Fix By
Bathroom 1	Exhaust System	Bathroom ventilation system is inoperable			03/11/24 12:59 BT		Mod	30D





- Things to Think About

- Get trained!
 - focusing on safety and avoiding normal wear and tear issues
 - Provide staff with uniform training on NSPIRE standards
 - focus on new standards
- Integrate NSPIRE standards with Standard Operating Procedures
 - Update your annual inspections
- Keep an eye out for HUD updates and resources
- Keep an eye out for bulletins from RI Housing





Questions?



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