

Arizona Department of Housing 2020 Information Bulletin

REGARDING PROGRAMS: Rental Compliance

REGARDING FUNDING SOURCES: Low Income Housing Tax Credit (LIHTC), HOME, State and National Housing Trust Fund (HTF) and Neighborhood Stabilization Programs (NSP) Compliance

INFORMATION BULLETIN No. 17-20 UPDATED

ISSUED: June 29, 2020

RE: COVID-19 Compliance Guidance for ADOH Assisted Rental Properties

The Arizona Department of Housing ("ADOH") has been monitoring the situation regarding COVID-19 and how it affects our business operations. For ADOH, that means understanding how it impacts our employees, residents, owners/agents, and then making the necessary adjustments to our operations.

Our priority is to keep you, your residents and our employees safe. For this reason, we are providing the following guidance below:

On-Site Visits - UPDATED

All on site unit and property inspections have been postponed until July 2020. ADOH Compliance will be conducting desk audits of resident and project files through July. Owners/Agents for projects that are due for a desk audit will be contacted individually with further instructions.

<u>Site Visit response deadlines – No change.</u>

If the due date for any finding letter issued by ADOH is between March 19, 2020 and July 31, 2020 please submit a request, via email, to the Officer in Charge of the visit. ADOH may grant extensions if there is good cause. If applicable, please explain in your request how COVID-19 is preventing the correction of the issue and the date that you believe you can resolve the matter in order to provide a complete response to ADOH.

- Projects in the Compliance Period In the absence of federal guidance, staff cannot grant extension beyond what is permissible under Section 42 for 8823 reporting purposes.
- Post-15 Projects ADOH may have some flexibility in extending response deadlines further.

Resident Services/Common Areas - No change

Arizona's Stay Home, Stay Healthy, Stay Connected mandate expired on May 15, 2020. ADOH's recommendation is to ensure you are abiding by all CDC, State and Local guidance pertaining to the reopening of these areas. If an owner/agent feels they cannot meet the guidance, provided below, for a safe reopening they may choose to take a more restrictive approach. The IRS has not issued any

guidance that would allow an owner/agent to limit access to common areas. If you choose to limit access to public areas, ADOH cannot guarantee that there is not a risk of recapture of credits by the IRS for reduction of eligible basis.

Finally, ADOH would highly recommend continuing conversation with your legal counsel concerning liability of any associated party who is not adhering to social distancing and/or any other COVID-19 safety precaution. If you have any other questions please let me know.

https://azgovernor.gov/sites/default/files/guidance for pools.pdf
https://azgovernor.gov/sites/default/files/guidance for gyms fitness providers.pdf
https://azgovernor.gov/sites/default/files/guidance for spas massage therapists and personal ser vices.pdf

Recertifications - UPDATED

ADOH has allowed various documents to be received and signed electronically. While we did not allow for the Tenant Income Certification or lease to be signed electronically, we are temporarily lifting this restriction to allow for recertifications to be completed as timely as possible while still adhering to all CDC and local health official recommendations as well as IRS regulations.

Additionally, for 100% affordable projects, we are allowing for any recertification needing to be completed between <u>March 18, 2020 and August 31, 2020</u> to be completed by utilizing the ADOH Self Certification Tenant Income Certification. This included the first annual recertification for any AMGI level units.

For mixed-use projects, in absence of guidance from the IRS, you must still make every attempt to complete a full recertification as outline by Section 42. Again, you can do so electronically as much as possible.

Other federal laws - No Change

At this time, there are no waivers of the requirements of the Federal Fair Housing Act, the Violence Against Women Act, Section 504 of the Rehabilitation Act, or the Americans with Disabilities Act. Your property must continue to make reasonable accommodations and process transfer requests related to disabilities or VAWA protections.

Vacant units - No Change

Vacant low-income/state assisted units must be leased to qualified households. At this time, there is no relief to use low-income/state assisted units for any other purpose, even if it is related to COVID-19.

If you have any questions please contact Juan Bello, Compliance Program Manager, at 602-771-1074 or via email at <u>juan.bello@azhousing.gov</u>.



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