



## RRDL Program Compliance Reporting and Monitoring

A Compliance Officer will monitor your property for RRDL compliance during the full term of the loan. After loan closing, we will send you a username and temporary password for reporting in Minnesota Housing's Property Online Reporting Tool (PORT). Find detailed reporting instructions in the [PORT user guide](#).

Notices are sent by email and PORT is a web-based reporting system so you must maintain an active email account and access to the internet.

### Required Occupancy Forms

To be qualified for occupancy in an RRDL-assisted unit, applicants must self-certify the household's gross annual income using [the Initial Occupancy Statement by Tenant](#) form (unless a more detailed certification form is required by another program (e.g., Section 8, Housing Tax Credits, USDA Rural Development, etc.). The certification must be fully completed, signed and dated prior to a household taking occupancy and the certified gross annual household income cannot exceed the allowable RRDL income limit. If an applicant certifies their gross annual household income is more than the allowable RRDL income limit the household is not eligible to occupy an RRDL-assisted unit. You are not required to recertify household income each year, only at initial occupancy.

A [Minnesota Government Data Practices Act Disclosure Statement](#) is required and must be signed by each adult household member. This document informs the household of the information that they must supply as a condition of occupancy, the information that is voluntary and who the information may be shared with.

[Head of Household Demographic Information Form](#) - All heads-of-household that have been approved for occupancy must complete this form. *(If you are able to satisfy reporting requirements because the same data is collected on other forms you use, it is not necessary to also complete this form.)* Information on this form assists the agency in analyzing its loan programs and who they are serving. The information is used in reports to the agency's board, legislature and others as evidence supporting the need for more affordable funding.

### Income and Rent Limits

The RRDL income limit is 80% of the greater of state or area median income. See Table C on the Deferred Loan Income Limits chart.

RRDL rent limits are the "Affordable to the Local Workforce" rent limits. New income and rent limits are published each year and you must use the updated limits. The rent you charge plus an allowance for tenant-paid utilities for RRDL-assisted units cannot exceed the RRDL rent limit for the unit size. Acceptable utility allowances are those provided by Public Housing Agencies (PHAs) on a Section 8 utility allowance schedule. *You must contact the local PHA annually to obtain an updated utility allowance.*

Click [here](#) to access Minnesota Housing's income and rent limit webpage.

### Annual Occupancy Reporting and Owner Certification

You must annually report occupancy information (i.e., unit events) for all units in the property in PORT. This includes move-in events for all units and for RRDL-assisted units you must report data for the initial eligibility certification which includes household composition and demographic information, household income, rent, utility allowance, rental assistance, etc. You must also report unit transfers, move-outs, etc. A recertification event for units with continued occupancy must be reported to Minnesota Housing each year to recertify household composition, rent, utility allowance, rental assistance, etc.

You must also complete a Deferred Loan Owner Certification annually in PORT.

Annual reporting for the previous calendar year is due each year on February 15<sup>th</sup>, or the next business day if the 15<sup>th</sup> falls on a weekend or holiday (e.g., owner certification and occupancy data for calendar year 2019 is due 2/15/2020). We will send a reminder in December each year. After the February due date, the Compliance Officer will begin reviewing the data you reported.

### **Property Inspections**

The Compliance Officer will schedule the first on-site inspection in the year after loan closing and every five years thereafter. Properties may be inspected more frequently if the Compliance Officer determines it is necessary. As part of the inspection, the Compliance Officer will review your property information and certain administrative records (e.g., utility allowances, Affirmative Fair Housing Marketing Plan, Tenant Selection Plan, certifications for boiler, elevator, and fire systems, if applicable).

We use HUD's Uniform Physical Inspection Standards (UPCS) and we will inspect 20% of the assisted units (minimum of 4 and all units in properties with four or fewer units). UPCS Level 3 deficiencies are considered violations. You must correct all noted violations. Exigent Health and Safety (e.g., inoperable or missing smoke detectors or emergency lights, blocked egress, expired fire extinguishers, and other life-threatening conditions) must be corrected immediately and evidence of correction submitted to the Compliance Officer no later than 72 hours after the inspection.

### **Correcting Noncompliance**

The Compliance Officer will notify you (and the property manager, if applicable) by email of any compliance violations discovered during review of the owner certification, annual occupancy reporting, on-site inspection or any other noncompliance of which it becomes aware. You will be able to view the violations and recommendations for correction in PORT and you will be given a period of time to make repairs or other corrections. The Compliance Officer will give you instructions for submitting evidence of correction and after reviewing, will determine whether the violations have been clarified, corrected or remain out of compliance.

For more information contact Renee Dickinson, MF Compliance Manager, at [renee.dickinson@state.mn.us](mailto:renee.dickinson@state.mn.us), 651.296.9491, toll free at 800.657.3701, or tty: 651.297.2361

*Minnesota Housing appreciates your commitment to maintaining compliance with the agreements that financed your property.*