



IOWA FINANCE  
AUTHORITY

# **TENANT BASED RENTAL ASSISTANCE**

**December 10, 2013**

**1:30 PM – 3:30 PM**

# TBRA Agenda

Welcome and Opening Remarks

HOME Federal Rule Changes

HOME Subrecipient Role

Major Cross Cutting Regulations

TBRA Overview

Application Tips

Navigating the Application

Q & A

# Allocation HOME Team Members

Carolann Jensen, Chief Administration Officer

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# Application Due

**Applications Open: December 17, 2013 at 8:00am (You will not be able to view the application prior to this date)**

**DUE DATE: January 14, 2014 by 4:30 PM**

Please submit application early in case of technical difficulties.

# Federal Allocation

HOME Allocation 2014 (**estimate**)

\$5.5 M

This is just an estimate of 2014 HOME funds

As of yet there is no federal budget for FY2015

# Eligible Applicants

Eligible applicants for HOME assistance include local government and non-profit entities.

# HOME Rule Change

TBRA recipients must complete an affirmative fair housing marketing plan for their project.

Contracts will be for two years and IFA will expect the projects to be completed within that time frame.

# HOME Rule Change

TBRA can now charge the cost of income verifications and unit inspections to project soft cost.

The cap for project soft cost is 8% of the HOME request for rent subsidies, security deposits and utility deposits.

# Subrecipient Role

A subrecipient is a public agency or non-profit organization designated by IFA to administer all or a portion of IFA's HOME program allocation.

# Compliance with HOME

A subrecipient is **responsible** for compliance with all HOME regulations and failure to meet compliance regulations **could result** in repayment of funds by the subrecipient.

Subrecipients will be required to execute a Subrecipient Agreement (contract) with IFA.

# General Administration

Only the subrecipient organization is eligible to receive the general administration funds associated with managing the HOME funds locally.

General Administration is a separate activity contained in the subrecipient's approved budget and shown on Exhibit A of the HOME contract.

General administration costs are capped at 5% of the total HOME request for rent subsidies, security deposits and utility deposits.

# Subrecipient Responsibilities after Award

The subrecipient of the HOME program will need to perform the following:

- Administration functions where HOME is used to reimburse actual staff costs;
- Administering the TBRA program;
- Develop Administration Plan;
- Affirmative Fair Housing Marketing Plan;
- Developing systems and schedules for ensuring compliance with the HOME program requirements;

# Subrecipient Responsibilities after Award

- Accepting TBRA applications and verifying household incomes;
- Developing and implementing TBRA contracts with landlords and households;
- Submitting all draw requests and information regarding matching funds;
- Resolving audit and monitoring findings;
- Preparing reports and other documents;

# Procurement for Services

If the Subrecipient does not have qualified staff for housing inspections and lead-based paint inspections, the Subrecipient must follow the procurement procedures for competitive bidding.

The Subrecipient shall retain full responsibilities and oversight for the work completed by any contractor and/or third party.

# Procurement

- Non-profit entities must follow 24 CFR Part 84
- Governmental entities must follow 24 CFR Part 85

# Contract Timeline

- Work Completion Date is two years from date of contract.
- Extensions will only be granted if significant progress has been made.
- HOME funding can be de-obligated if a program can not utilize all or a portion of the HOME funds.

# Conflict of Interest

- No employee, officer, or agent of a subrecipient may participate in the selection, award, or administration of a contract supported by HOME if a real or apparent conflict of interest could be involved

# Lead Based Paint

- The HOME program is impacted by HUD's Lead Safe Housing Regulations.
- This legislation is formally known as:

“Requirements for Notification, Evaluation and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance; Final Rule” (24 CFR, Part 35)

# Lead Based Paint

Subpart M - Applies to the TBRA program.

The regulation only applies to structures built before 1978 that house children under the age of six.

Subpart R – “Methods and Standards for Lead-Based Paint Hazard Evaluation and Hazard Reduction Activities” (all activities).

**Ongoing Maintenance.** Ongoing maintenance is required if the grantee has an ongoing relationship with the Federal government (e.g. Rental or TBRA activities). Ongoing maintenance includes periodic visual assessments to determine if lead-based paint hazards have reappeared.

# Environmental

- This type of project is Categorically Excluded Not Subject to Other Federal Laws and Regulations.
- There is no publication requirement.
- But you will have to document and request Release of Funds from IFA.

# TBRA Overview



# TBRA Overview

- Maximum TBRA award is \$1m
- 90% of households served must have income at or below 60% of area median income.
- All households must be at or below 80% of area median income
- HUD has a new tool available for income determination [CPD Income Eligibility Calculator](#)

# TBRA Overview

- Rent cannot exceed “Fair Market Rent”

<http://www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/rent/2011/ia.pdf>

- Units must meet HQS standards and be, at a minimum, temporarily lead safe.

# TBRA Overview

- Forms of Assistance
  - ✓ Monthly rental assistance payments
  - ✓ Security Deposits
  - ✓ Utility Deposits  
(must be used in conjunction with one of the above assistance)

# TBRA Overview

- TBRA can be paid directly to the landlord or to the tenant. Assistance is portable, the money follows the tenant..
- Maximum assistance is limited to the difference between the actual rent and 30% of the household's income

# TBRA Overview

- Rent assistance can be for up to 24 months
- For security deposits, assistance may not exceed two months rent

# Application Tips

- The need for TBRA should be supported by a Public Housing Authority's waiting list
- Document administration capacity and keep administration expenses reasonable
- Include income verification and unit inspections in your budget.
- Document that decent, safe, and sanitary rental units exist in your area

# Navigating the Application



# Q & A



# To Submit Questions

If you have a question after the training, please email: [home@iowa.gov](mailto:home@iowa.gov)

- Questions must be submitted by email so that responses can be published on the IFA HOME webpage each Friday, while the round is open.
- Only those questions responded to in writing can be relied on as the policy of the agency

# DISCLAIMER

This presentation is intended as general information only and does not carry the force of legal opinion.