CHAPTER 67-53
COMPLIANCE PERIOD MONITORING PROCEDURES

67-53.0035 Florida Housing Finance Corporation (Repealed)
67-53.004  Right to Inspect and Monitor Elderly Housing Community Loan (EHCL) Funded Developments (Repealed)
67-53.006  Compliance and Monitoring Procedures for the Pre Development Loan Program (PLP) (Repealed)
67-53.008  Compliance and Reporting Requirements for State Apartment Incentive Loan (SAIL) Program, HOME Investment Partnerships (HOME) Rental Program, Multifamily Mortgage Revenue Bond (MMRB) Program, Housing Credit (HC) Program, Rental Recovery Loan Program (RRLP), and Elderly Housing Community Loan Program (EHCL) (Repealed)
67-53.009  Compliance and Monitoring for Homeownership Assistance Program (HAP) and Homeownership Programs (Repealed)

PART I ADMINISTRATION
67-53.011  Purpose and Intent
67-53.012  Definitions
67-53.  Right to Inspect and Monitor Records and Facilities
67-53.  Noncompliance
67-53.  Monitoring Agent
67-53.  Income Limits and Rent Limits
67-53.  Determination, Documentation and Certification of Annual Income
67-53.  Exempt Units
67-53.  Ownership Change
67-53.  Name Change
67-53.  Management Company Approval
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67-53.  Reporting Requirements
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PART II MULTIFAMILY MORTGAGE REVENUE BOND PROGRAM
67-53.  Management Reviews and Physical Inspections
67-53.  Non-compliance
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PART III ELDERLY HOUSING COMMUNITY LOAN PROGRAM
67-53.  Management Reviews and Physical Inspections
67-53.  Non-compliance
67-53.  Reporting Requirements

PART IV PREDEVELOPMENT LOAN PROGRAM
67-53.  Management Reviews and Physical Inspections
67-53.  Non-compliance
67-53.  Reporting Requirements

PART V STATE APARTMENT INCENTIVE LOAN PROGRAM
1. Incorporate HOME 2013 Rule changes.
   a. Long-Term Viability of Rental Projects
      i. During the affordability period, FH must examine the financial condition of projects with 10 or more HOME-assisted units at least annually, and must take action where feasible to correct problems that threaten a project’s financial viability. [§92.504(d)(2)]
      ii. Utilize a risk-based monitoring system and adjust the schedule of ongoing rental unit inspections as part of a risk-based monitoring system, but inspections must occur no less frequently than every 3 years. The first on-site inspection must occur within 12 months of project completion. §92.504(d)
      iii. FH is permitted to charge ongoing rental monitoring fees. The cost of inspections and income determinations for Tenant-Based Rental Assistance (TBRA) recipients may be charged as project soft costs. [§92.214(b)(1) and §92.209(a)]
   b. Property Standards
      i. Updated to reference current national codes and to require that FH establish standards that will sustain quality assisted housing for at least the affordability period. [§92.251]
      ii. HUD will issue guidance to identify for FH the minimum required inspectable elements based on the Uniform Physical Conditions Standards. [§92.251(g)]
c. Procedures
   i. Risk-based monitoring system for HOME projects includes on-site monitoring
      schedules and financial oversight protocols for rental properties.  [§92.504(a)
      and §92.504(d)(2)]

2. Update form reference for:
   a. Financial Reporting Form (SR1)
   b. Program Report (PR1).
   c. Tenant Income Certification (TIC)
   d. Annual Owner Certificate (AOC)
   e. Certificate of Continuing Program Compliance (CCPC)
   f. Annual Contact Certification (ACC)

3. Replace “Compliance Administrator” with “Asset Management and Compliance Department”.

4. Replace “tenant files to be housed within 50 miles of the development” with “No matter the
   location of the file review, the owner is responsible for providing all required tenant files and
   records at the time of the management review”.

5. Add - Annual Reviews and Noncompliance:
   a. Correction period - Period not to exceed 90 days from date of notice to the owner
      during which an owner must bring a development into compliance.
   b. Correction extension period – Period not to exceed 6 months from date of notice to the
      owner during which an owner must bring a development into compliance.

6. Change – Program Report correction period extension from 60 day extension to period not to
   exceed 6 months from date of notice to the owner.

7. Requests for extensions to the 90 day correction period – Replace send to Florida Housing with
   send to monitor.

8. Add - Exempt unit

9. Add – If an Applicant or Developer or any Principal, Affiliate or Financial Beneficiary of an Applicant
   or a Developer has any existing Developments participating in any Corporation programs that
   remain in non-compliance with Section 42 of the IRC, Title 67, F.A.C., or applicable loan
   documents, and any applicable cure period granted for correcting such non-compliance has
   ended as of the time of submission of the Application or at the time of issuance of a credit
   underwriting report, the requested allocation will, upon a determination by the Board that such
non-compliance substantially increases the likelihood that such Applicant or Developer will not be able to produce quality affordable housing, may be denied and the Applicant or Developer and the Affiliates of the Applicant or Developer may be prohibited from new participation in any of the Corporation’s programs until such time as all of their existing Developments participating in any Corporation programs are in compliance.

10. Add reference to the Compliance Guidebook.

11. Management company selection process changes:
   
a. Add definition of management company – the company hired by the owner that is responsible for day to day operational and management oversight, marketing and leasing, collections and evictions, tenant relations and services, maintenance, compliance and reporting for a multifamily affordable rental housing property.

b. Add - In the event that a property or properties managed by the management company are included on the most recent Noncompliance Report, the Corporation shall consider the following in the approval process.
   
i. Whether noncompliance is due to the examination of records, administrative procedures or the physical inspection and whether noncompliance is a life threatening hazard or a Health & Safety issue as defined in the Federal Register, Vol. 77, No. 154, August 9, 2012.

ii. and if the noncompliance has been uncorrected for at least six (6) months from the date of owner notification.

12. Public Comment