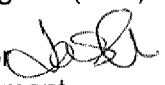


MEMORANDUM NO. 20-01-01

TO: HOME Program Owners and Management Agents
Neighborhood Stabilization Program (NSP) Owners and Management Agents
Housing Trust Fund Program (HTF) Owners and Management Agents

FROM: Tasha N. Jones, Director 
Rental Housing Management

SUBJECT: Annual Compliance Monitoring Information 2019

DATE: January 10, 2020

The HOME Final Rule requires the owner of a HOME/NSP/HTF development to certify annually to the housing agency that the property met the provisions of the HOME/NSP/HTF Programs for the preceding 12 month period. Annual reporting information is due to the South Dakota Housing Development Authority (SDHDA) by **Friday, March 27, 2020**.

HOME/NSP/HTF tenant data should be submitted electronically through Web Compliance Management System (WCMS). You must have authorization to access the system. Please notify SDHDA immediately when you have staff changes. Any individual that is no longer working for your company will continue to have access to WCMS until we are notified they should not have access, which could cause a serious breach of security. We appreciate your assistance in keeping user access current.

In addition to the electronic submission of tenant data, the following items are needed:

- Annual Certification (HOME/NSP/HTF Annual Owner Certification revised 01-10-2020)
- Authorized Representative Designation (if applicable)
- Monitoring Status Report for 2019

For your convenience, the fillable forms are located at www.sdhda.org. The forms are available under Property Management / For Property Managers / Forms, Manuals and Resources / HOME Forms, Manuals and Resources / Forms. Completed forms may be submitted by email or USPS along with required bank statements, year-end financial reports, Monitoring Status Report, and paid tax and insurance invoices.

As you are already aware, SDHDA requires comprehensive property insurance in such amounts as required by SDHDA be maintained at each project. More recent Mortgage documents refer to SDHDA form AM-703 to outline the insurance requirements, however, this form has not always been followed with respect to HOME, NSP, and HTF funded projects. For projects funded with HOME, NSP, and/or HTF funds, SDHDA requires property coverage deductibles not to exceed



\$5,000.00 per occurrence. We are aware that under some circumstances this is not feasibly possible, thus exceptions can be considered subject to prior approval by SDHDA. If prior approval has already been obtained to exceed the maximum deductible requirement, please make sure such approval is available upon request.

Another item to note is SDHDA's software upgrade to NextGen. More information will follow as the update gets closer. Previously, tenant data has been uploaded or entered into the WCMS system. Our software vendor is replacing the WCMS system with a new web-based system that should be more user-friendly, especially as it pertains to the HOME/NSP/HTF programs. We will forward the proper web address and information once the migration has been completed.

Any questions should be addressed to Carla Berry at 605.773.3181 or carla@sdhda.org.

TNJ/cb

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