

## Montana Housing Trust Fund Program Management Plan for Continued Affordability

Grantee	
Grant Number	
Property Name	
Property Address	
Responsible Organization	
Responsible Organization Address	
Start of the Period of Affordability (Est.)	
Length of Period of Affordability	30 Years
End of Period of Affordability	
Monitoring Rotation	Every 3 years, minimum
Unit Mix	
Fixed or Floating (if Fixed, identify the units)	

The Grantee hereby certifies that the above responsible organization will ensure that the appropriate mechanism is in place to enforce the affordability requirements for the Housing Trust Fund-assisted property as authorized by the Housing and Economic Recovery Act of 2008 (HERA); 24 CFR Parts 84, 85 and 93; 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; any applicable state and federal laws, regulations, administrative directives and procedures, as now in effect or as many be amended during the contract; all administrative directives and procedures that may be established or amended by the Department for the Program, including the most current version of the Department's HTF Application Guidelines and current HTF Grant Administration Manual; the Montana Consolidated Plan; and all other applicable local, state, and federal laws, regulations, administrative directives, procedures, ordinances, or resolutions.

The average per unit amount of HTF funds per HTF-assisted unit is \$(SUBSIDY); the required period of affordability is thirty (30) years. The total number of HTF-assisted units is (NUMBER). The Unit Mix is (UNIT MIX). All HTF-assisted units are Fixed/Floating. (If applicable) The Fixed units are: (LIST UNITS). The Montana HTF Program will monitor the (PROJECT NAME) at least every three ) years.

### Designation of Duties

(ENTITY) is designated as the primary contact for the HTF-assisted project to the Montana HTF Program. (ENTITY) will provide, in writing, notice to the Montana HTF Program if there are any changes in the primary contact during the Period of Affordability.

(ENTITY) is responsible for the day-to-day operations of the HTF-assisted property including: tenant selection, tenant income verification, and property management. Tenant selection will be established through the Tenant Selection Plan developed and maintained by (ENTITY).

(ENTITY) is responsible for maintaining the above listed Unit Mix, assuring comparability in terms of size, features, and number of bedrooms.

*(If the HTF-assisted project has five (5) or more HTF-assisted units then complete this section)*

(ENTITY) is responsible for developing and updating the Affirmative Fair Housing Marketing Plan (AFHMP). The AFHMP will promote non-discrimination and ensure fair and equal housing opportunities for all. At minimum, this plan must be updated every five (5) years. (ENTITY) will submit the AFHMP to the Montana HTF Program with the Annual Reports when any changes are made and reports are due.

(ENTITY) is responsible to ensure that all HUD-published Income and Rent Restrictions are not exceeded during the Period of Affordability. HTF-assisted units must be occupied by income-eligible households.

(ENTITY) will determine tenant eligibility by calculating the household's annual income using one the two definitions of income, [24 CFR part 5.609](#) or the [IRS Form 1040](#). Income determinations are conducted at initial occupancy and the (ENTITY) will re-examine each tenant's annual income each year during the period of affordability. If tenant annual income is re-examined through self-certification statements, (ENTITY) will examine the source documentation of the income of each tenant every 6<sup>th</sup> year of the affordability period. For HTF units that also receive project-based rental assistance, annual income must be reexamined based on the rules applicable to the project-based assistance.

(ENTITY) will confirm that HTF-assisted units' rent does not exceed the applicable HUD-published limits annually and retain documentation for the 30-year length of the Period of Affordability. (ENTITY) will also confirm annually that each HTF-assisted household's total income does not exceed the HUD-published Income Limits for Extremely Low-Income. HTF-assisted units continue to qualify as affordable housing despite a temporary noncompliance caused by increases in the income of existing tenants. When that occurs, (ENTITY) will make every effort to bring the units back into compliance as soon as is feasible.

(ENTITY) will adopt and follow written tenant selection policies and criteria that:

- Limit the housing to income-eligible families;
- Are reasonably related to the applicant's ability to perform the obligations of the lease;
- Limit eligibility or give preference to a segment of the population as described in the State's Consolidated Plan);
- Do not exclude applicants with vouchers under the Section 8 Tenant-based Assistance: Housing Choice Voucher program;
- Provide for the selection of tenants from a written waiting list in the chronological order of their applications, insofar as is practicable; and
- Give prompt written notification to any rejected applicant describing the grounds for any rejection.

(ENTITY) is responsible for the creation, execution, enforcement, and retention of leases for all HTF-assisted units and properties. There must be a written lease between the tenant and owner of HTF-assisted rental housing for a period of not less than 1 year, unless a shorter period is mutually agreed upon. Any changes to the content of leases for HTF-assisted units and properties will be submitted to the Montana HTF Program during the annual reporting period for approval and records retention. The lease may not contain any of the following provisions:

- Agreement to be sued;
- Treatment of property;
- Excusing owner from responsibility;
- Waiver of notice to be sued;
- Waiver of legal proceedings;
- Waiver of a jury trial;
- Waiver of right to appeal court decision;
- Tenant chargeable with cost of legal actions regardless of outcome; and
- Mandatory supportive services.

(ENTITY) will not terminate the tenancy or refuse to renew the lease of a tenant of HTF-assisted rental housing, except for serious or repeated violation of the terms and conditions of the lease or for violation of applicable Federal, State or local law, or for other good cause. To terminate or refuse to renew tenancy,

(ENTITY) will provide written notice to the tenant specifying the grounds for the action and providing a 30-day notice consistent with State law.

(ENTITY) is responsible for creating and submitting all Rent Increase Requests with supporting documentation to the Montana HTF Program at least thirty (30) days prior to any rent increases. (ENTITY) must provide all tenants the required number of days' notice for all Rent Increases once approved by the Montana HTF Program. (ENTITY) will follow all guidance regarding the total rent and utilities which can be charged on HTF-assisted units for the length of the Period of Affordability.

(ENTITY) is responsible for the submission of the required annual reporting to the Montana HTF Program. Part of the reporting requirements includes the retention of all pertinent records for the required Period of Affordability. The entity will ensure that all supporting documentation for the annual reporting will also be retained for the required Period of Affordability.

(ENTITY) will ensure that an inspection of Uniform Property Condition Standards (UPCS) will be conducted when tenants move out of HTF-assisted units, prior to tenants moving in to HTF-assisted units, and at a minimum, annually on all HTF-assisted units. All inspection forms will be retained by (ENTITY) for the required Period of Affordability. (ENTITY) will ensure that all HTF-assisted units and properties will maintain the minimum property standards and will be repaired when any units or the property does not meet the minimum inspection requirements.

Furthermore, (ENTITY) will work with the Montana HTF Program to ensure that the required number of HTF-assisted units are inspected during the required monitoring visits. Physical monitoring is also intended to assess risks of which the owner may not be aware. It is Commerce's intention that all notices of inspection will be provided to the Sponsor and property management agent 30 days prior to the actual inspection. All HTF-designated units must receive the notice regardless of whether they are chosen for inspection as unforeseen changes may occur.

(ENTITY) will ensure that all tenant facilities of any building in the project are provided on a comparable basis to all tenants (including HOME-assisted) in the development.

#### **Record Keeping**

(GRANTEE) is ultimately responsible for the retention of all records related to the HTF-assisted property and HTF-assisted units. All project records must be retained for five (5) years after the Period of Affordability closeout. Tenant files must be retained throughout the Period of Affordability, until five (5) years after the end of the affordability period. However, if any litigation, claim, negotiation, audit, monitoring, inspection, or other action has been started before the expiration of the required retention period, the records must be maintained until completion of the action and resolution of all issues which arise from it, or until the end of the required period, whichever is later.

The records must include the following:

- The total number of residential rental units in the building (including the number of bedrooms and the size in square feet of each residential rental unit);
- The number of residential units in the building that are HTF-assisted units;
- The rent charged on each residential rental unit in the building and the applicable utility allowance. Gross rent must not exceed the maximum allowable HTF rent, as follows:
  - 30% of the adjusted income of an ELI household; or
  - 30% of 30% of AMI; -or-
  - rent allowable under any Federal or State project-based subsidyas long as the tenant pays no more than 30 percent of tenant's adjusted income) less the utility allowance calculated according to HUSM.
- The number of occupants in each program assisted units;
- The unit vacancies in the building, documentation of marketing efforts, and information that shows when and to whom the next available units were rented (this information must include the unit number, tenant name, move-in dates, and move-out dates for all tenants, including market rate tenants);
- The annual Tenant Income Certification of each eligible household;
- Third party verification documentation to support each eligible household's Tenant Income Certification; and
- The original local health, safety, or building code violation reports or notices issued by the State of local government unit responsible for making local health, safety, or building code inspections.

#### **Financial Compliance of the Property**

(ENTITY) is responsible for the financial viability and compliance of the HTF-assisted property. (ENTITY) will provide required reports to the Montana HTF Program during the annual reporting period. If the HTF-assisted property is sold or placed under new management, (ENTITY) will report the change to the Montana HTF Program immediately in writing.

The affordability restrictions may be terminated upon foreclosure or transfer in lieu of foreclosure; in those situations, (ENTITY) is obligated to repay all HTF funds invested in the project.