

**DHCD HOME, HIF, HSF, CIPF, CATNHP/TOD, CBH, AHT PROGRAMS**

**RENTAL DEVELOPMENT PROJECT MONITORING GUIDE**

Reviewer: \_\_\_\_\_

Date: \_\_\_\_\_

**I PROJECT INFORMATION**

Project Name: \_\_\_\_\_

Property Location: \_\_\_\_\_

\_\_\_\_\_

Owner: \_\_\_\_\_

Contact info: \_\_\_\_\_

\_\_\_\_\_

Email address: \_\_\_\_\_

Management Agent: \_\_\_\_\_

Property Manager: \_\_\_\_\_

Contact Info: \_\_\_\_\_

\_\_\_\_\_

Email address: \_\_\_\_\_

**1 DHCD Project Summary:** Please complete attached affordability matrix.

**2 Project Schedule**

Date Completed

a. Program Award	
b. Contract/Firm Commitment	
c. Construction Start	
d. Construction Completion	
e. Certificate of Occupancy	
f. Initial Occupancy	
g. Full Occupancy	

**3 Other Housing Programs in project**

LIHTC	
Project-based assistance	
Section 202	
Local HOME	
Other Program	
Other	
Other	

**4 Local PJ responsible for\*:**

	YES	NO

**5** Have there been any previous monitoring or compliance findings by DHCD?

\_\_\_\_\_

\_\_\_\_\_

II. ADMINISTRATIVE REVIEW		ANSWER		NOTES / DETAILS
		YES	NO	
<b>PROCUREMENT &amp; LABOR ISSUES</b>				
6	Did the developer comply with the procurement requirements per their agreement? (may include: Written documentation of procedures; Written solicitation/scope; Open/free competition; Appropriate advertising; etc).			
7	Are the required Section 3 and M/WBEs opportunity provisions included in the bid packets and contractor contracts?			
8	Is there documentation of the affirmative steps to ensure M/WBEs and Section 3 businesses have had an equal opportunity to compete? <i>24 CFR 92.508(a)(7)(ii)(B)</i>			
9	Have adequate reports been maintained and submitted regarding the solicitation and procurement of M/WBE and Section 3 businesses?			
10	Has owner/contractor hired local residents and/or businesses under M/WBE?			
11	Has owner/contractor hired local residents and/or businesses under Section 3?			
12	If 12 or more units assisted by HOME, were federal labor standard provisions & wage rate determinations (Davis-Bacon) implemented?			
<b>CONSTRUCTION MANAGEMENT</b>				
13	Has the project manager established a tracking system to monitor the completion of the project activities against the implementation schedule and budget?			
14	Has the project manager established a system to oversee construction and approve change orders?			
15	Does the project file demonstrate that inspections were performed prior to contractor payment?			
16	Were release of liens granted before final contractor/subcontractor payment?			
17	Do work write-ups, changes orders and inspection docs indicate that property standards and state/local codes were met?			
18	If applicable, does the project comply with Energy Star performance standards and was there a Mortgage Industry Home Energy Scale rating (HERS)?			
<b>ENVIRONMENTAL ISSUES</b>				
19	Have any environmentally-related complaints been received as a result of project activities?			
20	Does the project reveal the existence of any hazardous sites or other environmental concerns?			

<b>RELOCATION ISSUES (if necessary)</b>			
<b>21</b>	Was the property occupied prior to rehabilitation?		
<b>22</b>	Did relocation of residents occur?		
<b>23</b>	Is there documentation of a tenant roster current at time of funding application (including name, household size, income, unit size and rent)?		
<b>24</b>	Was proper relocation noticed provided to tenants? Date of Initial Notice: Date of Notice of Nondisplacement:		
<b>25</b>	Did the developer offer a comparable unit to all displaced households and calculate reimbursement housing expenses correctly? Evidence of payment?		
<b>26</b>	Is there documentation that tenants were informed of their rights under the Fair Housing Act? <i>24 CFR 42.350(a)</i>		
<b>ON-SITE INSPECTION</b>			
<b>27</b>	Does the project appear to meet applicable property standards?		

III. PROJECT DOCUMENTATION	ANSWER		NOTES / DETAILS
	YES	NO	
1	Property Insurance		
2	Written Specifications		
3	Work Write-Up/Cost Estimate		
4	Contractor Bid Documents		
5	Contractor's Certificate of Insurance / Bond / Letter of Credit		
6	Construction Contract / Notice to Proceed		
7	List of Excluded Parties (state & federally debarred contractors list)		
8	If 12 or more HAUs, were federal labor standard provisions and wage rate determinations (Davis-Bacon) included in construction contract?		
9	Contractor Invoice / Payment Certifications		
10	Waiver of Liens from All Contractors and Suppliers / Evidence of Contractor Disbursement		
11	M/WBE reports		
12	Section 3 reports		
13	Approved Change Orders (if applicable)		
14	Building Permits		
15	Documentation of Final Inspection / HQS / C of O (which includes IECC)		
16	Energy Star inspection rating (if Energy Star eligible)		
17	Lead-based Paint Compliance Documentation, if pre-1978 building		
18	DHCD/CEDAC funds Requisitions/Draw-downs		
19	Final Cost Certification / other approved accounting report		
20	Conflict of Interest policy precluding related parties from occupying HAUs		
21	Section 504 compliance		
22	Environmental Clearance*		
23	Relocation documentation (URA) (if applicable)*		
24	HUD Project Completion Report*		

\* items local PJ may be responsible for

**MONITORING SUMMARY: Development**

<b>1 Compliance Checklist</b>	<b>Finding</b>	<b>Recommendation</b>
General Recordkeeping	_____	_____
Project Management	_____	_____
Environmental Issues	_____	_____
Procurement	_____	_____
Financial Management	_____	_____
Equal Opportunity and Fair Housing	_____	_____
Construction Process	_____	_____
MBE/Section 3	_____	_____
Energy Efficiency	_____	_____
Relocation	_____	_____

**2 List the specific findings that must be noted in the monitoring letter:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**3 Next monitoring visit:** \_\_\_\_\_

**4 Follow-up notes:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**MONITORING : Occupancy**

1 HUD HOME Affordability Period Expires: \_\_\_\_\_ (See matrix to insert DHCD/CEDAC program affordability periods)

2 Number of Vacant Units: \_\_\_\_\_

3 Number of mobility-accessible units? \_\_\_\_\_ Location: \_\_\_\_\_

4 Number of sensory-accessible units? \_\_\_\_\_ Location: \_\_\_\_\_

5 Are the HOME-assisted units fixed or floating: **FIXED | FLOATING** N/A

If units are floating, is the bedroom distribution and amenities of the HOME-assisted units consistent with the Exhibit A of the contract and/or Affordable Housing Restriction? *24 CFR 92.252(j)* **YES | NO** N/A

6 Are any tenants receiving tenant-based Section 8 rental assistance: **YES | NO**

During the life of the project, has a Section 8 household ever occupied a unit? **YES | NO**

7 Are any units receiving project-based rental assistance: **YES | NO**

**Subsidy Sourc Quantity** Which units: \_\_\_\_\_

Section 8	
Section 202	
MRVP*	
Other(Name)	

\*if MRVP, what percentage of a household's income is allocated towards rent? \_\_\_\_\_ %

8 Are rents adjusted for utilities? **YES | NO**

Source: \_\_\_\_\_

Is actual lower than the utility chart? \_\_\_\_\_

Date: \_\_\_\_\_

INCOME & RENT COMPLIANCE TENANT PROTECTIONS		ANSWER		COMMENTS/DETAILS
		YES	NO	
9	Is each tenant file complete with the following documentation: <i>24 CFR 92.508</i>			
	a. Tenant income certifications? <i>Summary sheet detailing household income, effective date, household size, members' age, bedroom size</i>			
	b. Tenant income supporting documentation? - <i>Third Party documentation (preferred); or</i> - <i>Steady/Salaried/Regular employment: 3 consecutive months of pay stubs, or</i> - <i>Unsteady/Weekly variations in employment: 12 months of pay stubs</i> - <i>Clarification of overtime, bonuses, raises, etc. may be necessary</i> - <i>Documentation of all assets (3rd party verification preferred)</i> - <i>Assets disposed of in past 2 years</i> - <i>Public Assistance</i> - <i>Pensions</i> - <i>Student Status</i> - <i>Child Support/Alimony</i> - <i>Affidavit of No Income or No Child Support/Alimony (notarized)</i>			
	c. Tenant Lease <i>24 CFR 92.253</i>			
	d. Does the tenant lease provide the required 30-day notice for tenancy termination for all causes, incl non-payment? <i>24 CFR 92.253(If HOME/HSF/CIPF/CATNHP)</i>			
	e. Does the lease exclude all prohibitive clauses required? <i>24 CFR 92.253(b) and state law</i>			
	f. Is there a Lead-Based Paint disclosure pamphlet, for new move-ins in pre-1978 buildings?			
10	Is there a procedure for timely annual recertification? <i>24 CFR 92.252(h)</i>			
11	Gross contract rent identified (including tenant portion, subsidy amount and utility allowance)? <i>24 CFR 92.252</i>			
12	Do all HOME gross contract rents comply with the applicable HOME rent limits? <i>24 CFR 92.252</i>			
13	Do all HIF/CIPF/CATNHP/TOD/HSF gross contract rents comply with the applicable rent tier limits?			
14	For HOME projects, do at least 20% of the HAUs have household incomes below 50% (VLI) and rents below the Low HOME rent limit (for projects with 5 or more HAUs)? <i>24 CFR 92.252(b)</i>			
15	Did all new move-in households have incomes below applicable program limits (e.g.: HOME 60% AMI)?			
16	Are all assisted household incomes below 80% AMI (at recertification)?			

EQUAL OPPORTUNITY AND FAIR HOUSING		ANSWER		COMMENTS/DETAILS
		YES	NO	
17	Are equal employment opportunity (EEO) posters located in conspicuous places?			
18	Are FHEO language and logos included in handbooks, policies, procedures manuals and other program literature? <i>24 CFR 92.351</i>			
19	Does management have an affirmative marketing plan and/or affirmative fair housing plan? <i>24 CFR 92.351</i>			
20	Have there been any fair housing or discrimination complaints?			
21	Does management have a written tenant selection plan? <i>24 CFR 92.253(d)</i>			
22	Does the tenant selection plan identify an appeal process for rejection?			
23	For CHDO properties, does management provide and follow a program of tenant participation in management decisions? <i>24 CFR 92.303</i>			
24	Does management have a Conflict of Interest procedure that prohibits related parties (employees, etc.) from occupying HAUs? <i>24 CFR 92.356(f)</i>			
25	a. Is a written waiting list maintained? <i>24 CFR 92.253(d)3</i> b. Is the wait list open?			
26	Does management conduct outreach to populations that would not normally apply? (for Boston HMFA - Metrolist) <i>24 CFR 92.351</i>			
27	Are units listed on MassAccess Housing Registry (all vacants)? <a href="http://massaccesshousingregistry.org">massaccesshousingregistry.org</a>			
28	Is the program accessible for persons with disabilities, including having a reasonable accommodation policy (Section 504)?			
29	Is documentation maintained regarding demographics of tenant applicants and residents (race, ethnicity, gender and disability)? <i>24 CFR 92.508(7)</i>			
30	Is there a procedure for assisting persons with Limited English Proficiency?			

FINANCIAL MANAGEMENT		ANSWER		COMMENTS/DETAILS
		YES	NO	
31	Has the Awardees maintained adequate financial records in accordance with DHCD requirements? <i>24 CFR 92.508</i>			
32	Have annual project financial audits been conducted to date during the most recent or in the past year?			
33	Does the audit contain any concerns or findings of non-compliance?			
34	Is evidence of current insurance provided in the file? a. Is DHCD listed as the loss payee? b. Is a 30-day notice of cancellation provided?			
35	Is there a report comparing expenditures against budgeted line items? (variance report) Time period?			
38	Annual Cash Flow, past 2 years			
39	Is there a cash flow provision in the program note(s)?			
39a	For HIF financed properties, is there evidence of submitting required annual project-specific cashflow reporting to CEDAC?			



40	Has the owner created and maintained a replacement reserve account? Current Bal: \$ _____, Disbursements List: Date: _____ Monthly Contribution: \$ _____			
41	Has the owner created and maintained an operating reserve account? Current Bal: \$ _____ Disbursements List: Date: _____ Monthly or Periodic Contribution: \$ _____			

GENERAL MAINTENANCE		ANSWER		COMMENTS/DETAILS
		YES	NO	
42	How often are property inspections conducted?			
43	Has management completed a CNA or CIP? (attach)			
44	Has the property included any energy-saving or environmentally-friendly improvements?			

PHYSICAL INSPECTION - <i>do the following areas comply with HUD's HQS requirements?</i>		ANSWER		COMMENTS/DETAILS
		YES	NO	
45	Commons areas			
46	Exterior of building(s) and grounds			
47	Utility rooms - clear of hazardous materials and debris			
48	Random Unit Inspection - at least 20% of program units; - 3 units minimum; - at least 1 per building at scattered site projects			

<b>Inspected:</b>	<b>Issues and Concerns:</b>
Unit:	
Unit:	
Unit:	
Unit:	
Unit:	

SUPPORTIVE SERVICES -		ANSWER		COMMENTS/DETAILS
		YES	NO	
49	Does the project include units that require supportive services?			
50	Is there a current tenant services plan in place ?			
51	Does the project have a contractual agreement with an outside service provider? If yes, please provide identify of the provider and a copy of the contract.			
52	Does the developer or property manager have dedicated staff to provide supportive services? If yes, identify the title, FTE, and whether they work for the property manager or owner.			
53	Is there a dedicated funding stream to pay for services, and/or a line item in the operating budget? If yes, identify the source and amount. If there is a contract with a funding agency, please provide a copy.			

**MONITORING SUMMARY: Occupancy**

<b>1 Compliance Checklist</b>	<b>Finding</b>	<b>Recommendation</b>
General Recordkeeping	_____	_____
Financial Management	_____	_____
Equal Employment Opportunity	_____	_____
Affirmative Marketing/Fair Housing	_____	_____
VLI/LI Unit Compliance	_____	_____
Rents	_____	_____
HQS Compliance	_____	_____
Certification Documentation	_____	_____
Timely Recertifications	_____	_____
Lease Requirements	_____	_____

**2 List the specific findings that must be noted in the monitoring letter:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**3 Next monitoring visit:** \_\_\_\_\_

**4 Follow-up notes:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## Resources

---

- 1** For a copy of the “Purple Book” – Technical Guide for Determining Income and Allowances for the HOME Program: PDF version: <http://www.hud.gov/utilities/intercept.cfm?/offices/cpd/affordablehousing/library/modelguides/2005/1780.pdf>
- 

- 2 Department of Housing & Community Development (DHCD)**

<http://www.mass.gov/hed/housing/affordable-rent>

Housing Development Division’s E- Source:

To subscribe send a blank email to:

[join-dhcd-housingdevelopment@listserv.state.ma.us](mailto:join-dhcd-housingdevelopment@listserv.state.ma.us)

100 Cambridge St., Suite 300

Boston, MA 02114

(617) 573-1300

---

- 3 Department of Housing & Urban Development (HUD)**

<http://www.hud.gov/offices/cpd/affordablehousing/programs/home/>

*HOME Final Rule:*

<http://www.hud.gov/utilities/intercept.cfm?/offices/cpd/affordablehousing/lawsandregs/regs/finalrule.pdf>

*Rent limits & Income limits:*

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

<http://www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/income/>