


MEMORANDUM NO. 21-02-02

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 2020

DATE: February 11, 2021

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 31, 2021**.

HOME/NSP/HTF tenant data should be submitted electronically through our updated compliance management system, NextGen. This is the updated version of Web Compliance Management System (WCMS) and will require that you access the system via <https://sdng.hdsoftware.net/auth/login>. You must have authorization in order 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. For assistance with the authorization process, please feel free to contact Beth Todd (beth@sdhda.org).

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

- Annual Certification (HOME/NSP/HTF Annual Owner Certification revised February 2021 (updated to include VAWA requirements))
- Authorized Representative Designation (if applicable)
- Monitoring Status Report for 2020

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, paid tax and insurance invoices, and a record of your VAWA activity.

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.

In light of COVID SDHDA will be conducting compliance reviews remotely. When it is time to monitor your property, we will provide you with instructions and a secure website to upload the required documentation. There may be instances in which properties are subject to an in-person review. We will also make accommodations to the remote reviews when necessary. As we look beyond the pandemic, SDHDA plans to continue conducting file reviews remotely and will provide guidance on that process after procedures are finalized.

Any questions should be addressed to Alisia Whitaker at 605.773.4567 or alisia@sdhda.org.

TNJ/aw

p:\am-clmanagement\docs\docs\home memos\2020annowncert.docx