

Mississippi's Annual Affordable Housing Conference 2024



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Beau Rivage
Biloxi, MS

Breaking News for HOME & HTF

Presented by
Jamie Bouie
Housing Grant Officer



Build America, Buy America Act (BABA)

What is the Buy America Preference (BAP)?

- Iron, steel, manufactured products, and construction materials used for federally funded infrastructure projects are produced in the United States, unless otherwise exempt or subject to an approved waiver
- 2 CFR § 184



Products
Covered by
the BAP

1. Iron and steel
2. Construction materials
3. Manufactured products

Iron & Steel

“Predominantly” made up of iron and/or steel, meaning the cost of the iron and steel content exceeds 50% of the total cost of all the item’s components.

All manufacturing processes begin and end in the United States.





Construction Materials

Specifically Listed Construction Materials:

- non-ferrous metals
- lumber
- plastic- and polymer-based composite building materials, pipe, and tube

Not Listed Construction Materials:

- all other plastic- and polymer-based materials (such as polymers used in fiber optic cables)
- glass
- fiber optic cable
- optical fiber
- engineered wood
- drywall

Manufactured Products

Things that have been...

- Processed into a specific form or shape, or
- Combined with other articles, materials, or supplies to create a product with different properties than the individual articles, materials, or supplies.

Production must be...

- Completed in the U.S. (final product)
- At least 50% of the components must be mined, produced, or manufactured in the U.S.



BAP Implementation Timeline for HOME & HTF Programs



The BAP will apply to HOME & HTF funds obligated on or after August 23, 2024.



Obligated means the date of the HUD grant agreement with MHC.

Housing Opportunity Through Modernization Act (HOTMA)

HOTMA was signed into law in 2016. It makes numerous changes to sections 3, 8, and 16 of the United States Housing Act of 1937.

The final rule was effective January 1. HOTMA affects HOME and HTF by changes made to 24 CFR Part 5.

Key Changes: Determining Income



If the project includes project-based rental assistance PBRA (either Section 8, state or local PHA), use their income determination



If a tenant receives Federal rental assistance (Choice, PIH-HTF), use their income determination



If no other assistance is provided, use Part 5 (Section 8) method



Source documents are not required every 6th year if PBRA or Choice assistance is received

Key Changes: Annual Income & Assets

No longer lists
inclusions

Anything not listed
under the
exclusions must be
included (day labor
& seasonal work)

Amounts must be
received, not
ordered (child
support, alimony)

Foster
children/adults no
longer count (treat
like live-in aide)





Key Changes: Annual Income & Assets

Returns on net assets less than \$50,000 are excluded

Exclusions include “Federally Mandated Exclusions from Income – Updated Listing Notice (12/31/2023)”

Acceptance of recertifications from other federal programs

Key Changes: Asset Exclusions

Necessary

Value of necessary items of personal property

Non-Necessary

Value of all non-necessary items of personal property with a total combined value of \$50,000 or less (adjusted annually for inflation)

Retirement

Value of any account under a retirement plan recognized as such by the IRS

Key Changes: Asset Exclusions



Federal tax refunds or refundable tax credits for a period of 12 months after receipt by the family


Full amount of assets held in an irrevocable trust

Full amount of assets held in a revocable trust where a member of the family is the beneficiary, but the grantor/owner of the trust is not a member of the household

Asset value can be self-certified by the applicant

HOTMA Implementation Timeline for HOME/HTF Programs

MHC will expect compliance with
HOTMA January 1, 2025



Owners may begin using HOTMA
as of the effective date but must
provide policies that reflect the
change.

NSPIRE: National Standards for the Physical Inspection of Real Estate



NSPIRE is HUD's new standard of property inspections for federally-assisted housing



NSPIRE replaces UPCS and HQS



Effective date July 1, 2023



Implementation deadline for HOME & HTF is October 1, 2024



Inspectable Areas

Unit
Inside
Outside

Unit: Where the tenant lives



- Kitchen
- Bathroom
- Outlets
- Lighting
- Plumbing
- HVAC
- Smoke detectors

Inside: Common areas

- Plumbing
- Lighting
- Elevators
- Bathroom
- Kitchen (if applicable)
- Smoke detectors



Outside: Site & Building Exterior

- Signage
- Parking lot
- Sidewalks
- Mailboxes
- Balconies
- Playgrounds
- Guardrails





Life-Threatening Deficiencies

- Smoke detectors
- GFCI outlets
- Egress
- Fire extinguisher
- HVAC
- Gas
- Structural failure

Disclaimer

- Community Planning & Development (CPD) has not issued NSPIRE guidance for HOME & HTF
- Details subject to change
- Scoring does not apply





HOME Rental & HTF Reporting

Construction Phase

- Must report on Section 3 quarterly
- Must report on MBE/WBE quarterly

Affordability Period

- Must submit Annual Owner Certifications (now based on MHC's fiscal year: July 1 – June 30)
- Next certification due September 6

Contact Info

Jamie Bouie

Housing Grant Officer

601-718-4682

Jamie.Bouie@mshc.com

www.mshomecorp.com