



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Ms. Karen Miller
Chair
Mr. Steve Walker
Executive Director

memorandum

To: WSHFC Multifamily Ownership and Property Management Stakeholders

From: Valeri Pate, Director, and Melissa Donahue, Manager, Asset Management & Compliance Division, Washington State Housing Finance Commission

Date: March 16, 2020

RE: COVID-19 Threat and Affordable Housing Compliance

In light of the threat posed by COVID-19, the Commission's Asset Management division is issuing guidance on tax credit/bond compliance for owners and managers. We want to emphasize that your first priority is the health and safety of your residents and staff. To that end, we are making the following suggestions:

Implement alternate ways for applicants/residents (A/R) to fill out and sign paperwork and submit the forms to you.

- You can collect forms electronically, by postal mail or by having folks drop off paperwork at your office or another location.
- It is fine for A/Rs to sign forms electronically.
- If you encounter a **problem** with getting an A/R to **sign** a required compliance form, please email your property's Portfolio Analyst and discuss the situation with them to try to come up with a solution.
- On compliance forms that require a manager witness signature, have your managers sign the form after you've received it back from the A/R. When they sign, they should sign their name, put the actual date of signature, and the comment "Did not sign in the presence of applicant/resident due to COVID-19 risk."
- Managers can also sign forms electronically. Again, if they are signing a form that requires a manager witness, they should add a comment about not being able to sign in presence of A/R due to COVID-19 risk.

Keep track of any recertifications that are delayed due to A/R not sending in their recertification documentation on time and complete them when you are able to. We understand there will be a lot of delays and there will

be situations where you are unable to get verification of something because a third-party is unable to respond.

- Do NOT evict residents based solely on their inability/refusal to complete the recertification process.
- Be sure you are making notes in your resident files **and in WBARS** to document which households' recertifications are being delayed as a result of COVID-19.
- If you import your data to WBARS, remember that you'll need to add notes about recert delays due to COVID-19 *AFTER* you complete your imports so you don't wipe out your notes in WBARS if you do a new import after entering comments in resident records. So, you may need to keep track of those notes elsewhere for now and then enter them in WBARS at the end of the year after your final Table 1 data import.
- Do not back-date recertification information or signatures. Sign off on documents and use effective dates that represent the actual dates you received information, signed a document and/or made a recert effective.

Implement inspection and unit turn policies that make the most sense for you operationally and in light of the populations you serve. We understand there are going to be significant vacancies and offline units in 2020 as a result of COVID-19.

- Again, please keep track of all your extended vacancies and units that are offline throughout the year. When you submit your **Extended Vacancy/Rent-Ready Report** next year, make sure you've completed the form with comprehensive notes about which units were vacant/offline as a result of COVID-19 and when/if they were leased or finally made rent-ready. Also make notes in WBARS as warranted.
- At this time, WSHFC has asked our inspection contractors to suspend property inspections around the state. We do not know if these inspections will be rescheduled later in the year. When we have more information we will alert all our stakeholders.
- If you have already had an inspection, please do your best to repair any outstanding deficiencies. If you are unable to repair some or all deficiencies due to COVID-19 risk, please keep track of all items that will need fixing at a later date and keep your WSHFC Portfolio Analyst informed.

For the time being, the health and safety of your residents and staff are your first priority, not compliance. We have not yet determined how or if we will report noncompliance which occurs as a result of the disruptions caused by the virus. We are waiting for guidance from the IRS and hope they will implement accommodations to reduce compliance burdens during this time. In the meantime, please implement policies and practices that are primarily designed to reduce the spread of COVID-19. We will keep our stakeholders updated if/when our guidance changes or we receive new information from the IRS.

If you have additional questions or concerns, please reach out to Melissa or Val. Thank you for your cooperation and for your dedication to your residents and staff.