

**TITLE 330. OKLAHOMA HOUSING FINANCE AGENCY (OHFA)
CHAPTER 75. NATIONAL HOUSING TRUST FUND PROGRAM**

SUBCHAPTER 1. GENERAL PROVISIONS

330:75-1-1. Purpose

The intent of the National Housing Trust Fund Program is to complement existing federal, State and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable Housing for Very Low-Income Families and Extremely Low-Income Families, including homeless families. As set forth in the Interim Rule, Very Low-Income Families may only be assisted if the total funding for the entire federal Program exceeds \$1 Billion. In all instances, at least seventy-five percent (75%) of the funding must assist Extremely Low-Income Families or families with incomes at or below the Poverty Line, whichever is greater. If less than \$1 Billion is available to fund the entire Program, one hundred percent (100%) of the funds must assist Extremely Low-Income Families or families with incomes at or below the Poverty Line, whichever is greater.

330:75-1-2. Authority

The National Housing Trust Fund Program was established under Title I of the Housing and Economic Recovery Act of 2008, Section 1131 (Public Law 110-289). The Oklahoma Housing Finance Agency (OHFA) has been designated as the State's administrative agency for purposes of administering the State's National Housing Trust Fund Program.

330:75-1-3. Scope

During each Program Year, financial assistance will be made available to eligible Applicants for the purpose of implementing specific activities that further the stated purpose of the National Housing Trust Fund Program.

330:75-1-4. Definitions

The following words and terms, when used in this Chapter, shall have the following meanings unless the context clearly indicates otherwise. Additional capitalized terms used in these Chapter 75 Rules may be defined in the Act. When a conflict exists between the following definitions and the Act, the Act shall control.

"**Act**" means Title I of the Housing and Economic Recovery Act of 2008, Section 1131 (Public Law 110-289).

"**Action Plan**" means the State's annual Program description for the Administration of National Housing Trust Fund Program Funds received by the State. The Action Plan is included in the Consolidated Plan and must be reviewed and approved by HUD.

"**Applicant**" means an eligible entity that has applied for or will apply for National Housing Trust Fund Program funding.

"**Application**" means an Application from an eligible entity for funding from the State's allocation of funds for the National Housing Trust Fund.

"**Application Packet**" means the required Program documents stating the National Housing Trust Fund Program objectives, the State-specific objectives for the National Housing Trust Fund, and method of distribution of National Housing Trust Fund Program Funds (including program income and recaptured funds), as well as the required forms for filing an Application for National Housing Trust Fund Program Funds.

"**Consolidated Plan**" means a plan prepared in accordance with the requirements of 24 CFR Part 91 which describes community needs, resources, priorities and proposed activities to be undertaken under certain HUD programs, including the National Housing Trust Fund Program.

"**Extremely Low-Income Families**" means low-income families whose annual incomes do not exceed thirty percent of the median family income for the area, as determined by HUD, with adjustments for family size.

"**Housing**" includes manufactured housing and manufactured housing lots, permanent housing for disabled and homeless persons, single-room occupancy housing, and group homes. "Housing" does not include emergency shelters (including shelters for disaster victims) or facilities such as nursing homes, convalescent homes, hospitals, residential treatment facilities, halfway houses, housing for students, or dormitories (including farmworker dormitories).

"**HUD**" means the United States Department of Housing and Urban Development.

"**Interim Rule**" means the National Housing Trust Fund Program requirements as set forth in 24 CFR Part 93, Sections 93.1 et seq.

"**National Housing Trust Fund Program**" means the National Housing Trust Fund Program as established under Title 1 of the Housing and Economic Recovery Act of 2008, as set forth therein.

"**National Housing Trust Fund Program Regulations**" means the regulations pursuant to the Interim Rule at 24 CFR Part 93.

"**OHFA**" means the Oklahoma Housing Finance Agency. OHFA has been designated by the Governor to administer the State's National Housing Trust Fund Program on behalf of the State.

"**Poverty Line**" means the Poverty Line as defined in Section 673 of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902).

"**Program**" means the National Housing Trust Fund Program.

"**Program Funds**" means all appropriations for the National Housing Trust Fund Program, plus all Program Income and other

returned and recaptured funds.

"**Program Income**" means gross income received by OHFA or the Recipient that is directly generated by the use of Program Funds, as further defined in the Interim Rule.

"**Program Year**" means the period selected by OHFA in which it shall administer its formula allocation for the National Housing Trust Fund Program.

"**Project**" means a site or sites, together with any building or buildings that are to be assisted with National Housing Trust Fund Program Funds as a single undertaking.

"**Recipient**" means any eligible Applicant or entity receiving National Housing Trust Fund Program Funds through OHFA. The use of the term "Recipient" instead of "Awardee" as used in most of OHFA's funding programs, is to maintain consistency with the Program terminology as used by HUD in the Interim Rule.

"**State**" means the State of Oklahoma.

"**Very low-income families**" means families whose annual incomes are in excess of 30 percent but not greater than 50 percent of the median family income for the area, as determined by HUD, with adjustments for family size.

330:75-1-5. National standards incorporated by reference

(a) The national standards for development of the Program description are hereby incorporated by reference. The standards are set forth in the regulations promulgated thereunder by HUD to implement the Program, as amended, published at 24 CFR Part 93 Sections 93.1 et seq.

(b) Copies of these federal laws and regulations may be obtained from OHFA, during regular business hours Monday through Friday 8:00 a.m. to 4:45 p.m., excluding legal holidays.

330:75-1-6. Recipients' implementation manual

(a) Recipients must enter into a written agreement with OHFA containing all requirements of the Interim Rule. OHFA shall provide each Recipient a Program implementation manual.

(b) Requirements, procedures, and processes provided in the Program implementation manual and amendments to same shall apply to all Program funded Projects.

330:75-1-7. Technical assistance

OHFA shall designate staff members who shall be available to provide general Program technical assistance regarding proposed Project concepts and Program implementation.

330:75-1-8. Process to establish funding priorities

The National Housing Trust Fund Program falls under the Community Planning and Development division of HUD, and must be

included in the State's Consolidated Plan. Each Program year, OHFA will hold informal and formal public input sessions for the Program as part of the Consolidated Planning process. OHFA will take comments and suggestions from interested parties and consider possible changes to funding priorities for the Program. In addition, OHFA will consider data provided by HUD and obtained by other local and federal sources. Once the Consolidated Plan update has been submitted to HUD and has been approved, OHFA will draft an Application Packet for use by potential Applicants. OHFA will hold a public input session on the Application Packet and consider any public comments and suggestions. After a final version of the Application Packet has been drafted, it will be formally approved by OHFA's Board of Trustees before any Applications are accepted.

SUBCHAPTER 3. FUNDS

330:75-3-1. Funds distribution

(a) Program Funds allocated annually to the State by HUD shall be awarded to eligible Applicants through a formal Application process. Submission requirements for Project Applications will be developed annually by OHFA in the Annual Application Packet and described in Program Application materials.

(b) Program Funds will be awarded according to the Act, federal regulations and guidelines, and the annual Application Packet.

(c) The annual Application Packet shall be made available to eligible Applicants and interested parties upon request. Requests for the annual Application Packet should be directed to OHFA.

330:75-3-2. Funding activities

(a) The annual allocation of Program Funds made available to the State by HUD shall be divided into various eligible Program activities. The amount of the annual State allocation devoted to each eligible activity will be determined by OHFA and will be set out in the annual Application Packet.

(b) Administrative funds will be used to support overall Program delivery and operation activities.

330:75-3-3. Geographic allocation of funds

OHFA will make awards of Program Funds throughout the State.

330:75-3-4. Award amounts

(a) Maximum award amounts for each eligible activity may be established annually to insure maximum utilization of the State's allocation of Program Funds.

(b) Award maximums applicable to Program activities shall apply

to all Applications and awards made in that Program Year.

330:75-3-5. Partial funding

OHFA reserves the right within its discretionary authority to adjust Program Application award maximums based on the most efficient, equitable and practicable utilization of the State's allocated funds.

330:75-3-6. Reallocation of additional Program funds

(a) Annually, additional funds for Program Projects may become available as the result of:

- (1) Project cancellations;
- (2) Projects completed under original cost estimates;
- (3) Funds awarded but not utilized; or,
- (4) Other circumstances.

(b) As set forth in the annual Application Packet, OHFA shall reallocate these funds based on the amount of funds available and the reallocation plan described in the annual Application Packet.

SUBCHAPTER 5. PROJECT APPLICATION AND SELECTION

330:75-5-1. Project Applications

Eligible Applicants seeking Program funding must submit a written Application in the form prescribed in Application Packet. All Applications will be required to contain sufficient information to permit OHFA to conduct a review and assessment, and selection as described in the Application Packet.

330:75-5-2. Applicant selection

For the purpose of selecting Program Applicants for funding award, OHFA shall annually develop selection criteria, which conform to the Program objectives and method of distribution described in The Action Plan and the annual Application Packet. The selection criteria will be set forth in the Application Packet.

SUBCHAPTER 7. PROGRAM ADMINISTRATION

330:75-7-1. Program Income

OHFA and all recipients of Program Funds shall comply with all federal regulations regarding Program Income.

330:75-7-2. Program violations

The following are violations of Program policies and procedures:

- (1) The filing of false information in an Application

and/or Project report;

(2) Failure of a Recipient to meet requirements of a federal statute, federal regulation, or these Title 330 Chapter 75 rules;

(3) Deviation from the written agreement terms or failure to meet the written agreement terms;

(4) Notice by HUD and/or OHFA that significant corrective actions are necessary to protect the integrity of the Project funds, and that these corrective actions are not or cannot be completed within a reasonable time, in the judgment of HUD and/or OHFA staff;

(5) An administrative or judicial determination that the Recipient has committed fraud, waste, or mismanagement in any current or prior State or federally funded project.

330:75-7-3. Corrective and remedial actions

(a) Under any of the circumstances previously described as violations during the Application stage or written agreement execution, OHFA may take the following actions, or other actions it deems necessary:

(1) Condition written agreements;

(2) Withhold funds;

(3) Reduce the total amount of the Program award;

(4) Require the return of unexpended funds;

(5) Cancel a written agreement and recover all funds expended in an ineligible manner prior to the date of notice of cancellation;

(6) Deny future Program Applications and participation for a specified period of time as determined by OHFA.

(7) Indefinitely suspend from Program participation.

(b) Additionally, OHFA reserves the right under circumstances of possible Program violations to request information regarding the following, or other information it deems necessary:

(1) The administrative, planning, budgeting, management and evaluation functions, actions being taken to correct or remove the cause of the Program violation(s);

(2) Any activities undertaken that were not in conformance with the approved Program or Application process or that are in non-compliance with applicable laws or regulations;

(3) The Recipient's capacity to carry out the approved or proposed Project in a timely manner; and,

(4) Progress schedules for completing approved or proposed activities.

330:75-7-4. Recipient responsibilities

A Recipient under the National Housing Trust Fund Program shall be responsible for:

(1) Taking all action necessary to enforce the terms of

the Written Agreement against any private or public participant that fails to comply with applicable provisions of the Written Agreement or any subcontract or documents resulting from it, and to recover on behalf of OHFA, any liabilities that may arise as a result of a breach of the Written Agreement by any participant. Nothing in this subsection shall restrict OHFA's right to independently enforce the terms of any Written Agreement or any subcontracts or documents resulting from it, or to recover any sums that may become due as the result of a breach of such Written Agreement.

(2) Complying with all state and federal regulations, guidelines, circulars and notices as set forth in the Interim Rule, these National Housing Trust Fund Program Rules, the Written Agreement between the Recipient and OHFA and/or the Implementation Manual, or other guidance, circulars and notices that may be released by HUD and/or OHFA from time to time.

(3) Maintaining records and accounts, including, but not limited to, property, personnel, and financial records that properly document and account for all Project funds. OHFA may require specific types and forms of records. All such records and accounts shall be made available upon request by OHFA for the purpose of inspection and use in carrying out its responsibilities for administration of the funds.

(4) OHFA may require the Recipient to provide special narrative and financial reports related to the elements of a Written Agreement in the forms and at such times as may be necessary or required by OHFA.

(5) Retaining all books, documents, papers, records, and other materials involving all activities and transactions related to its Written Agreement for at least five years from the date of submission of the final expenditure report or until any audit findings have been resolved, whichever is later. Recipient shall, as often as deemed necessary by OHFA, permit authorized representatives of OHFA, HUD, and the Comptroller General to have full access to and the right to fully examine all such materials.

(6) Promptly returning to OHFA, any funds received under its Written Agreement that has not been obligated as of the final date of the Written Agreement period. Funds shall be obligated only if goods and services have been received as of the final date of the Written Agreement period.

(7) Complying with OHFA's audit policy as applicable to the Recipient.

(8) Providing OHFA timely copies of reports on any audits that include funds received from OHFA.

(A) Audits shall be performed by a by a public

accountant or public accounting firm, or a certified public accountant or certified public accounting firm.

(B) The audit shall be performed in accordance with Government Auditing Standards; Compliance Supplement for Single Audits or State and Local Governments; generally accepted auditing standards established by the American Institute of Certified Public Accountants; and OHFA.

- (9) Complying with all applicable federal requirements.