



Self-Help Newsletter

SUMMER 2011

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National Homeownership Month

June is National Homeownership Month. I know there are several agencies that have scheduled or have already held their events.

When and Where was it held? Homeownership Month is almost over and was an excellent opportunity to publicize your project. This was a perfect way to keep the Mutual Self-Help Program front and center for your community, your congressional leaders, etc.

When you held your event, I hope that you didn't forget to coordinate with Rural Development and invite your local, county, state and national government representatives. I hope everyone was familiarized with this wonderful program and maybe they will be more likely to give their support when it comes to land approvals, building permits and even at the national level, continued funding.

Congratulations to those that held events. We were made aware of a variety of planned events, including:

- * Open House
- * Ground Breaking
- * Construction Work Days
- * Key Presentations to families getting ready to move in.

Please remember to send your event pictures and a brief summary, to Rebecca McConiel, so they can be posted in our next Newsletter and on our Web Site.

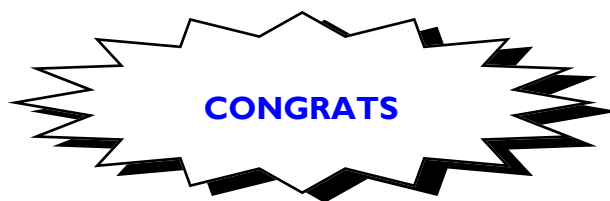
FY 2011 Income Limits

HUD has released the estimated median family income (MFIs) and income limits for Fiscal Year (FY) 2011. MFIs are used as the basis for income limits in several HUD programs (including Public Housing, Housing Choice Voucher, CDBG and HOME Programs), as well as in programs run by agencies such as the Department of Agriculture, the Department of Treasury, the Federal Deposit Insurance Corporation, the Federal Housing Finance Agency, and Government Sponsored Enterprises.

FY 2011 estimates are calculated for 535 metropolitan and 2,037 non-metropolitan areas in the U.S. and its territories, using the Fair Market Rent area definitions applied in the Section 8 Housing Choice Voucher Program. HUD updated the methodology for producing the FY 2011 estimates, which are now based on the five-year American Community Survey data from 2005-2009, rather than the 2000 Decennial Census. The FY 2011 income estimates and limits documentation system explains the derivation of each area's limit and median income estimates and links to the current Income Limits Area Definitions and other useful information available from HUD USER at www.huduser.org/portal/datasets/il/il11/index.html.

HUD has also developed a set of income limits specifically for projects that rely upon Internal Revenue Code Section 42 Low-Income Housing Tax Credits and Section 142 projects financed with tax-exempt housing bonds that were in service in 2007 and 2008. Projects in these two categories are referred to by HUD as Multifamily Tax Subsidy Projects (MTSPs). The FY 2011 HUD MTSP income limits documentation system explains the derivation of each area's MTSP limit and median income estimate and provides other useful information available from HUD USER at www.huduser.org/portal/datasets/mtsp.html.

Rural Development's new income limits are due out in the very near future. Check for updates at: www.rurdev.usda.gov/Home.html



Housing Assistance Corporation, in Henderson, North Carolina has closed their Section 523 Grant for \$424,800.00. They plan to assist 15 families build their homes during this grant period in Henderson County.

North Carolina Indian Housing Authority, in Fayetteville, North Carolina has closed their Section 523 Grant for \$204,072.00. They plan to assist 8 families build their homes during this grant period in Cumberland County.

**ATTENTION RESIDENTIAL
BUILDERS:
OSHA HAS A NEW REQUIREMENT FOR
FALL PROTECTION**

Because falling from a roof continues to be the leading cause of fatalities at residential construction sites, OSHA has announced that residential builders must start using standard fall protection requirements like guardrails, safety nets, and other personal fall arrest systems on all job sites. Contractors will no longer be allowed to use alternative methods of fall protection, like slide guards or safety monitor systems, unless they can demonstrate that the use of standard fall protection is not feasible or would create a greater hazard.

Under this new requirement, residential construction employers must ensure that employees working 6 feet or more above lower levels use guardrails, safety nets, or personal fall arrest systems. Employers must also ensure that each employee who might be exposed to fall hazards has been trained to minimize the risk of falling.

The new requirement applies to all residential construction jobs, defined as:

- The structure being built will be used as a home or dwelling, and
- The structure is being constructed using traditional wood frame construction materials and methods. The limited use of structural steel in a predominantly wood-framed home, such as an I-beam, does not prevent a structure from being considered “residential construction.”

This new requirement became effective Dec. 16, 2010. Construction and roofing companies will have up to 6 months to fulfill the requirements of the new directive, which requires standard fall protection at each jobsite. For more information on complying with the new law, visit www.OSHA.gov and click on Compliance for Residential Construction.

**Wells Fargo Homeownership Grant
Program**

Homeownership Grant Program Guidelines

Provide financial resources to local nonprofit housing organizations to create sustainable homeownership opportunities for low-to moderate-income people.

Areas of Interest

- **Construction/Rehab**
For the development and pre-development of construction or rehab of owner-occupied homes.
- **Education, counseling and prevention**
For homebuyer education, pre-and post-purchase counseling and foreclosure prevention.
- **Subsidies**
For down payment and closing cost subsidies, interest rate buy downs and other subsidies that assist homebuyers/homeowners to purchase or retain their homes.
- **Home repairs**
For essential home repairs, purchases and modifications (e.g. repair or replacement of a furnace or to build a ramp for handicap accessibility)

Legal Requirements

- The organization must be tax exempt under Internal Revenue Service Code 501 (c)(3) or the organization must be a government entity.
- The Housing Foundation does not provide support to IRS 501 (c)(3) Private Foundations.

For additional information on Program Requirements, Grant Use, Funding Restrictions, Proposal Submission, decision dates and previously funded organizations, also instructions on how to submit your application online: visit—https://www.wellsfargo.com/about/wfhf/homeownership_guideline

Article taken from Wells Fargo Website:

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IRS changes W-2 reporting requirement for health benefits

The Internal Revenue Service issued interim Guidance to employers on informational reporting. Each employee's annual Form W-2 would show the cost of the employer-sponsored health insurance coverage. The new reporting is for information only, to inform employees of the cost of their health coverage, and does not cause excludable employer-provided health coverage to become taxable.

The Affordable Care Act originally provided that employers were required to report the cost of employer-provided health care coverage on the Forms W-2 Notice 2010-69, issued last fall, made this requirement optional for all employers for the 2011 Forms W-2, generally furnished to employees in January 2012. Under the new guidance, the IRS extended the optional reporting to small employers-those filing fewer than 250 W-2 forms-through at least 2012 or until further notice.

IRS Notice 2011-28 also provides guidance for employers that are subject to the reporting requirement for the 2012 Forms W-2 and those that choose to voluntarily comply with it for either 2011 or 2012. The notice includes information on how to report, what coverage to include and how to determine the cost of the coverage. For additional information visit: <http://www.businessbrief.com/irs-changes-w-2-reporting-requirements-for-health-benefits/>

The House passes FY12 USDA Funding Bill without changes

On June 16th the House approved H.R. 2112 with a 0.78% across-the-board cut. Amendments to eliminate funding for Section 523 self-help housing were defeated by both the Subcommittee and Committee, and one to reduce funding for Section 504 grants was rejected on the House floor. Additional information along with a funding table is located at <http://www.ruralhome.org> and the bill's text is at <http://thomas.loc.gov/home/approp/app12.html>. The House will begin work on HUD funding in July.

Article taken from HAC News 6/22/11

Links for Support Documents

RD AN No. 4552 (1944-I Technical Assistance Grant Calculations and Grant Extension Requests

* <http://www.rurdev.usda.gov/SupportDocuments/an4552.pdf>

RD AN No. 4553 (1944-I) Self-Help Assistance Grants Administration

* <http://www.rurdev.usda.gov/Support Documents/an4553.pdf>

RD AN No 4507 (1944-I) approval of Properties Developed under the Mutual Self Help Housing Program

* <http://www.rurdev.usda.gov/Support Documents/an4507.pdf>