

HUD MULTIFAMILY HOUSING SOUTHEAST REGIONAL NEWS



Serving: Alabama, Florida, Georgia, Kentucky, Mississippi,
North Carolina, Puerto Rico/Virgin Islands, South Carolina
and Tennessee

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Celebrating a New Year of Affordable Multifamily Housing



Reynoldstown Affordable Senior Living



HUD is pleased to work with Mercy Housing Southeast to help address the need for affordable housing for seniors in the historic Reynoldstown community of Atlanta, Georgia. The property is close to the Atlanta Beltline, a very desirable area of Atlanta. Reynoldstown Senior Residences is the second 202 mixed-financing project for Georgia.

Reynoldstown Senior Residences were funded in the 2010 Section 202 funding cycle, which is the last year the Section

202/811 program was offered. The project consists of 70 units, 44 of which are HUD-assisted. Twenty-six of the units are non-assisted tax credit controlled units. Funding comes from HUD Section 202/811 Capital Advance, Beltline funds, and low-income housing tax credits.

A smoke-free property, it provides housing to senior residents age 62 and up. The units have been designed to be larger in square footage than typical Section 202 properties, as the units must be the same size as the larger tax credit units. The one and two bedroom units feature a covered patio and energy efficient appliances. A media room, fitness center, computer center, raised garden beds, on-site parking, and laundry rooms are just a few of the

many amenities provided at the property.

With the property being close to the Atlanta Beltline, residents will enjoy the convenience of access to the future Eastside Trail extension and to several interstate highways. There will be direct access to street car transit, parks, restaurants, and community events that will be held at the future Reynoldstown stage.

Ground was broken in April of 2015, and construction was completed November 2016. They are currently accepting residents. A grand opening and ribbon cutting ceremony is expected to be held sometime in early 2017.

Puerto Rico



Supporting affordability of housing for families in need is a goal the Caribbean takes seriously. Above is a picture of a large group of owners and managing agents in Puerto Rico that were recently recognized by the Multifamily Office in San Juan for extending affordable housing to over 3,525 families by renewing their Section 8 contracts for 20 years. This was a group effort of the San Juan Multifamily Office staff in aiding to preserve affordable housing in connection with National Goal 3, Preserving Rental Assistance. There were 29 properties with expiring Section 8 HAP contracts that were renewed for 20 years.

HUD Wears Pink



HUD offices across the region supported Breast Cancer Awareness and the fight for a cure by wearing pink in October. The Miami, Florida, field office is pictured above showing their support.

Clarifying Guidance

Policy Clarification—[Housing Notice H2015-02, entitled Required Actions for Multifamily Housing Projects Receiving Failing Scores from HUD's Real Estate Assessment Center \(REAC\).](#)

The Notice was intended to implement the requirements of Section 230 of the Consolidated Appropriations Act of 2014 (the "Act"), and successor legislation, regarding required actions by HUD for certain multifamily properties. Both the Act and the Notice prescribe certain actions by HUD in the event that assisted properties (e.g., those with Section 8 HAP contracts) receive:

REAC inspection scores under 31; REAC inspection scores between 31 and 59 and the project owner fails to certify that corrections have been made; and REAC inspection scores between 31 and 59 and the project has received consecutive scores under 60.

Neither the Act nor the Notice address properties that are not assisted (e.g., properties with only FHA-insured mortgages).

The Notice requires that HUD allow owners of assisted properties the full 45 calendar day database adjustment appeal period before issuing Notices of HAP contract Default/Violation

(NOD/NOV) and Compliance, Disposition and Enforcement (CDE) plans for properties meeting the above criteria.

In order to avoid inconsistencies between the Departmental Enforcement Center (DEC) and our regional and satellite offices, Headquarters has instructed HUD offices to allow the required-calendar-day database adjustment appeal period to expire before issuing NOD/NOV and CDE plan letters for all properties, whether they are assisted or unassisted with FHA-insured mortgages.

2017 Operating Cost Adjustment Factors (OCAFs) Published

The Operating Cost Adjustment Factors (OCAF) for 2017 were recently published in the Federal Register. These factors are used for adjusting or establishing Section 8 rents under the Multifamily Assisted Housing Reform and Affordability Act of 1997 (MAHRA), as amended, for projects assisted with Section 8 Housing Assistance Payments. The factors are effective February 11, 2017, and can be found by [clicking here.](#)

Southeast Region Multifamily Housing Loans Endorsed FY 2017

Criteria	#Loans	#Units/ Beds	Amount (Millions)
241 Improvement/Additions Apts/Coops	0	0	0
NC/SR	1	314	\$59,889,900
Refinance 223f and A7 Purchase	14	2056	\$138,639,400
Risk Sharing	0	0	0
Total	15	2370	\$198,529,300

Previous Participation

The Final Rule, available [here](#), revises HUD’s regulations for reviewing the previous participation in federal programs of certain participants seeking to take part in multifamily housing and healthcare programs administered by HUD’s Office of Housing. The Final Rule clarifies and simplifies the process by which HUD reviews the previous participation of participants that have decision-making authority over their projects. The Final Rule, together with an accompanying Processing Guide (included as an Appendix to the Final Rule):

- Clarifies which individuals and entities will undergo review.
- Clarifies HUD’s purpose in conducting such review.
 - Describes the review to be undertaken.

Through this Rule, HUD replaces the current previous participation regulations in their entirety.

Training Link— Access the training by [clicking here](#).

Section 8 Renewal Policy Guide New Chapter 9 “Rent Comparability Studies”

On December 1, 2016, the Department issued substantial revisions to Chapter 9, Rent Comparability Studies, which is part of the Section 8 Renewal Policy Guide. The transmittal cover sheet provides a summary of the changes. The new Chapter 9 and the appendices are posted under “What’s New” “Revised Chapter 9 Rent Comparability Studies (Published 12/1/16, Effective 3/1/17)” and can be obtained by [clicking here](#). The policy changes will be effective for all rent comparability studies signed by the appraiser after March 1, 2017. Please send any questions you may have on the new Guide to Section8RenewalGuide@hud.gov.

Amended and Restated Use Agreement

Notice 2016-16 — The amended and restated use agreement for multifamily projects subject to the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (LIHPRHA) was published on October 28, 2016. The notice provides implementation guidance for recent changes that were made when the Fixing America's Surface Transportation (FAST) Act was enacted.

The changes to the LIHPRHA statute allows owners who are in material compliance with their HUD business agreements (i.e., receiving a REAC score above 60, a satisfactory or higher on their most recent Management and Occupancy Review, etc.) to:

- Amend and restate their use agreement to allow for an unlimited distribution of surplus cash. Owners were previously limited to distributions of up to 8% of surplus cash.
- In addition to increased distributions, owners who also submit a Performance Based Contract Administration (PBCA) report showing that they are current on all capital needs will be able to distribute the contents of their residual receipts account. Previously, owners were limited to 8% distributions of surplus cash from their residual receipts account, as stated above.

The policy can be viewed by [clicking here](#).

Homeless Preference - Add-On and/or Special Fee

RHIIP Listserv Posting #369

The Office of Multifamily Housing Programs at HUD has been working steadily to increase the number of assisted properties with homeless preferences and previously homeless admissions to our housing inventory. In recognition of the time and effort spent by management agents to establish and administer a homeless preference, we are pleased to announce the availability of a new management fee add-on and special fee.

Per the [memorandum](#) from Deputy Assistant Secretary Priya Jayachandran, owners of Multifamily assisted housing

can now negotiate an add-on and/or a special fee with their property management company to assist in implementing a homeless preference.

- A special management fee will be permitted during a nine (9) month start-up period to enable owners and management agents to create and implement the homeless preference process. The special fee amount is \$2.50 per unit per month (PUPM). (For example, a 100 unit property can collect up to \$2.50 x 100 units x 9 months = \$2,250.
- Once the homeless preference is in place, management agents may

collect a monthly add-on fee as long as at least one previously homeless individual or household is admitted to a particular property during a one-year period. The add-on fee is \$2.00 PUPM. (For example, a 100 unit property can collect up to \$2.00 x 100 units x 12 months = \$2,400 in a one-year period.)

Processes for requesting, approving, and monitoring the management fees are detailed in the memorandum.

Please contact Carissa Janis with any questions at Carissa.l.janis@hud.gov or 202-402-2487.

Farewell to Marcia Ringo



Best wishes to Marcia Ringo as she retires with 39 years of Federal Service. She joined the Department in 1981 as an appraiser in the Single Family Division. Marcia spent nine years in the Multifamily Asset Management Division before receiving her General Certified Appraisal license. She worked as an Appraiser and Branch Chief for the Production Division in Georgia. In February 2012 she accepted the position of Operations Officer for the Atlanta Multifamily Hub and in 2015 she became the Director of the Production Division for the Southeast Regional Office.

San Juan and U.S. Virgin Islands



Property manager of multifamily assets in San Juan and in the U.S. Virgin Islands who received Superior ratings on Management and Occupancy reviews during Fiscal Year 2016, either by the Performance Based Contract Administrators or by HUD, are pictured above. The Multifamily San Juan office staff presented those with Superior ratings a certificate of recognition highlighting their excellence in performance.

Greensboro Team Donates to North Carolina Families Impacted by Hurricane Matthew



Front row: Annie Mayes, Greg Harris, Evelyn Kingsberry, Eileen Wooten, Danette McAlister, Darlene Fete, Bhavna Patel
Back row: Phil Anderson, Tenley McAbee, Linda Robertson, Jeffrie Caine, Martha Johnson

Following the devastation of Hurricane Matthew in eastern North Carolina, the Greensboro Team came together in an effort to provide assistance to those impacted. In November they began collecting food items. Can goods were delivered on December 9, 2016, to the Second Harvest Food Bank, which services the Southeast Region of North Carolina. Some of these residents suffered huge losses, putting large demands on many of the local food banks. They were extremely grateful to receive our donation. After six weeks of collecting for this cause, the team was excited to donate over 400 cans of food to help out our Tarheel neighbors!

RAD Notice H 2016-17/PIH 2016-17

Recently the Department published the Rental Assistance Demonstration (RAD) Fair Housing, Civil Rights, and Relocation Notice, which outlines requirements in these areas for public housing conversions under RAD. The Notice H 2016-17/PIH 2016-17 is now available on www.hud.gov/rad and on HUDCLIPS.

This Notice describes certain fair housing and civil rights requirements as they apply to RAD, explains HUD's front end civil rights review process, strengthens tenant rights and protections in the areas of resident notification and increases relocation housing options, reflecting the program's core value of ensuring fair treatment of residents throughout the course of RAD conversions. It also provides guidance in response to lessons learned and requests for clarity among RAD participants on the review process, including how we evaluate whether or not to further invest on a particular site.

Housing Notice 2016-09 "Streamlining Rule"

[Housing Notice 2016-09, Streamlining Administrative Regulations for Multifamily Housing Programs](#), has been posted to HUDCLIPS. The notice details the applicable provisions for Multifamily Housing programs which were implemented by the final rule titled "Streamlining Administrative Regulations for Public Housing, Housing Choice Voucher, Multifamily Housing, and Community Planning and Development Programs".

The applicable provisions for Multifamily Housing programs are:

- Verification of Social Security Numbers
- Definition of Extremely Low-Income Families
- Inclusion of Mandatory Fees and Charges with Tuition
- Streamlined Reexamination of Family Income and Composition

2017 Utility Allowance Adjustment Factors Available

The Department of Housing and Urban Development's Office of Housing permits owners/agents to use Utility Allowance Factors (UAFs) for projects subject to the requirements found in Housing's Utility Analysis Notice. The notice describes when owners/agents of Multifamily Housing properties that receive a utility allowance may use the published UAFs to adjust these allowances. The dataset will be updated once per year and will be published with an effective date. The dataset will be based on information published by the U.S. Energy Information Administration and the Bureau of Labor Statistics. Owners/agents will determine their utility and state specific UAF and apply the published UAF to their existing allowance for the utility allowance they are adjusting.

The Utility Allowance Adjustment Factors for 2017 are available by [clicking here](#). Owners are to use these factors when undertaking the factor-based utility analysis. The factors are effective for any project with an anniversary date on or after February 11, 2017.

For a copy of HUD Notice H 2015-04, [click here](#).

Best Wishes to Jeff Fleming



Best wishes to Jeff Fleming as he retires the end of January 2017. Prior to the Multifamily Transformation, Jeff served as a Supervisory Project Manager in the Atlanta Multifamily Hub with responsibility for servicing and oversight of the Georgia portfolio. In his 26 years at HUD he has served in a variety of capacities. Jeff began his public service career in 1981 with the East Point (GA) Housing Authority. He began his federal service in 1985 as a Presidential Management Intern at the U.S. Department of Defense. Jeff is currently Chief of the Atlanta Account Executive Branch 1, Division 1.

Violence Against Women Reauthorization Act of 2013

(VAWA) Final Rule

The U.S. Department of Housing and Urban Development's final rule regarding the implementation of housing protections authorized in the Violence Against Women Reauthorization Act of 2013 (VAWA) was published in the [Federal Register](#) on November 16, 2016. This final rule is a critical step in protecting housing of survivors of domestic and dating violence, sexual assault, and stalking.

The rule affects all owners/agents of properties under Multifamily's rental assistance programs and becomes effective 30 days after publication, on December 16, 2016. Please note covered housing providers will have 180 days from the effective date to develop emergency transfer plans. Emergency transfer provisions will become effective June 14, 2017.

HUD Secretary Julián Castro stated, "Nobody should have to choose between an unsafe home and no home at all. Today we take a necessary step toward ensuring domestic violence survivors are protected

from being twice victimized when it comes to finding and keeping a home they can feel safe in."

Some of the critical components of the final rule include:

Continuation of the core protections – The rule codifies the core protection across HUD's covered programs ensuring survivors are not denied assistance as an applicant, evicted, or have assistance terminated due to having been a victim of domestic violence, dating violence, sexual assault, stalking, or for being affiliated with a victim.

Emergency transfers – One of the key elements of VAWA's housing protections are emergency transfers which allows for survivors to move to another safe and available unit if they fear for their life and safety. The final rule includes a model emergency transfer plan, which was required in VAWA 2013, and an emergency transfer request form.

Protections against the adverse effects of abuse – Domestic violence can often have

negative economic and criminal consequences on a survivor. The perpetrator may take out credit cards in a survivor's name, ruining their credit history, or causing damage to survivor's property causing eviction and poor rental history. The perpetrator may force a survivor to participate in criminal activity or a survivor may be arrested as part of policies that require arresting of both parties in a domestic disturbance. The final rule ensures that covered housing providers do not deny tenancy or occupancy rights based solely on these adverse factors that are a direct result of being a survivor.

Low-barrier certification process – The final rule makes it clear that under most circumstances, a survivor need only to self certify in order to exercise their rights under VAWA, ensuring third-party documentation does not cause a barrier in a survivor expressing their rights and receiving the protections needed to keep themselves safe. The rule includes a certification form that may be used by covered housing providers.

2016 HUD Housing Notices — Click on the Links to View

Document Number	Title and Links
2016-17H 2016-17PIH	Rental Assistance Demonstration (RAD) Notice Regarding Fair Housing and Civil Rights Requirements and Relocation Requirements Applicable to RAD First Component – Public Housing Conversions
2016-16	Policy for Amended and Restated Use Agreement for Multifamily Projects Subject to the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (LIHPRA)
2016-15	Processing Guide for Previous Participation Reviews of Prospective Multifamily Housing and Healthcare Programs' Participants
2016-10	Reminder of Requirements Pertaining to Lead-Based Paint Inspection and Disclosure Forms, and Notification of Upcoming Inspections
2016-09	Streamlining Administrative Regulations for Multifamily Housing Programs
2016-08	Family Self Sufficiency Program in Multifamily Attachment A: FSS Contract of Participation (CoP) Attachment B: FSS Individual Training and Services Plan (ITSP) Attachment C: FSS Escrow Calculation Account Credit Worksheet Attachment D: MF FSS Reporting Tool (Quarterly)
2016-07H 2016-12PIH	Funding Availability for Tenant-Protection Vouchers for Certain at Risk Households in Low-Vacancy Areas - FY16
2016-06	Implementation of the Standardized Firm Commitment Templates for Additional Section 220, 221(d)(4), 223(f), 223(a)(7), 231, 241 (a)
2016-05	Revision of Tenant Participation Requirements in accordance with 24 CFR Part 245
2016-04	Home Equity Conversion Mortgage (HECM) Program: Loss Mitigation Guidance for HECMs in Default due to Unpaid Property Charges
2016-03	Home Equity Conversion Mortgage (HECM) Program: Home Equity Conversion Mortgage (HECM) Due and Payable Policies
2016-02	Home Equity Conversion Mortgage (HECM) Program: Non-Borrowing Spouse, Mortgagee Options for Home Equity Conversion Mortgages (HECMs) with FHA Case Numbers assigned prior to August 4, 2014
2016-01	Passbook Savings Rate Effective February 1, 2016

HUD Charges Florida Landlords With Housing Discrimination

WASHINGTON - The U.S. Department of Housing and Urban Development (HUD) announced November 9th that it is charging landlords in South Florida with discrimination against tenants with disabilities. Meanwhile, HUD is announcing separate agreements with landlords in Nevada and Massachusetts resolving similar charges.

The Fair Housing Act makes it unlawful to discriminate based on disability in the sale, rental, and financing of dwellings, and in other housing-related transactions, including refusing to make reasonable accommodations in rules, policies, practices, or services. In addition, Section 504 of the Rehabilitation Act of 1973 prohibits discrimination on the basis of disability by any program or activity receiving federal financial assistance.

“Discrimination against people with disabilities continues to be the most common type of housing discrimination complaint we receive each year,” said Gustavo Velasquez, HUD’s Assistant Secretary for Fair Housing and Equal Opportunity. “It’s unacceptable and the cases we’re announcing today reflect HUD’s commitment to making sure housing opportunities are available to every American, including those with disabilities.”

Last year alone, HUD and its partners received more than 4,500 disability-related complaints, accounting for nearly 55 percent of all fair housing complaints that were filed.

Florida

HUD charged the owner of Hillcrest East Building No. 22, a multifamily develop-

ment in Hollywood, Florida; the property’s management company, Rhodes Management; and a previous president of the homeowners’ association with housing discrimination for failing to make reasonable accommodations, publishing discriminatory notices and statements, and attempting to intimidate and retaliate against two family members who filed a housing discrimination complaint. One individual lives at the subject property, and the other person, who has a disability, was allegedly prevented from visiting her cousin at the subject property because she requires the use of an emotional support animal. HUD’s charge also alleges that the owners and managers discriminated against persons with disabilities by requiring personal and unnecessary medical information in order to grant reasonable accommodations, and by prohibiting emotional support animals and their owners from having access to the development.

The charge will be heard by a United States Administrative Law Judge. If the administrative law judge finds after a hearing that discrimination has occurred, he may award damages to the complainants to compensate them for the discrimination and may assess a civil penalty.

Massachusetts

HUD has entered into a Voluntary Compliance Agreement with Advanced Realty Management, Advanced Property Management, Howland One Three, and One Three Howland Street, of Quincy, Massachusetts, after HUD found that the property management companies

discriminated against a resident with disabilities by denying her reasonable accommodation request to transfer to an accessible unit. Under the agreement, the companies will pay \$12,614 to the resident, draft a reasonable accommodation policy that must be approved by HUD, train staff on the new reasonable accommodation policy within 30 days of its approval, and hire a contractor to assess and improve unit accessibility.

Nevada

HUD reached a Conciliation/Voluntary Compliance Agreement with the Nevada Rural Housing Authority after a Carson City, Nevada woman with disabilities alleged that the housing authority unlawfully terminated her benefits because she is disabled. The resident had alleged that her tenancy was wrongly terminated because of her disability. Under the agreement, the housing authority will pay the woman \$11,000; reinstate her lease and allow her to continue living at the property; grant her reasonable accommodation request to have a staff person designated to act as her contact with the housing authority; and provide fair housing training for its staff.

Any person who believes she or he has experienced discrimination may file a complaint by contacting HUD’s Office of Fair Housing and Equal Opportunity at (800) 669-9777 (voice) or (800) 927-9275 (TTY). Housing discrimination complaints may also be filed by going to www.hud.gov/fairhousing, or by downloading HUD’s free housing discrimination mobile application, which can be accessed through Apple and Android devices.

Happy Retirement to Chinh Dao



Chinh Dao, Account Executive, Atlanta Account Executive Branch 1, Division 2, retires after 26 1/2 years of service. Chinh began his career at HUD in 1990 as a HUD intern. He has worked in multifamily housing as an engineer, information specialist, project manager, and account executive. Chinh and his wife have two grown children. Best wishes to Chinh Dao as he begins this new chapter.



Multifamily Seek and Find



S F C N F P P H W J S N S B V J C O
J H G I Q F A Z S I T E E R Q G X G
G Z T D U P X S E T N P L P A F C V
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X J F G U Y L A R L Y S G R J C K S
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AMAZING

BEST

CRAFT

DIRECT

ENERGY

FESTIVE

GREAT

HAPPY

ICICLES

JUMP

KICK

LAZY

MAGIC

NICE

OPEN

PICTURE

QUIZ

RESPECTFUL

STARS

TRYING

UNIVERSAL

VELVET

WINTER

XYLOPHONE

YOUTH

ZEAL

A Note from the Editor



We hope this issue of the Multifamily Housing Southeast Regional News will be beneficial to you and your staff. It is our intention to provide you, our customers, with a newsletter several times throughout the year about events, changes, and issues that affect you. Please feel free to forward the newsletter on to whomever else you may feel would benefit from it. Suggestions for topics are always welcome. Please direct your suggestions to my attention, Janice S. Gordon, Senior Account Executive, (aka Editor in Chief) via email at: Janice.S.Gordon@hud.gov.

You may also contact me by telephone at 904-208-6003.

To receive future copies of this newsletter, if you did not receive this one directly, please contact your local HUD Multifamily Office, or sign up for the Jacksonville, Florida Multifamily LISTSERV.

HOW TO JOIN A MULTIFAMILY LISTSERV

A Multifamily LISTSERV is an electronic mailing list for housing partners. The goal is to provide our partners with notices, updates, and technical information electronically instead of by mail. You are encouraged to join a LISTSERV by following these instructions:

- www.hud.gov
- Click on RESOURCES
- go to Mailing List
- Select a state from the list on the right side of the page
- Click on the appropriate multifamily link *
- Enter your complete email address

You will receive a confirmation email which needs to be responded to within the required time frame and then you will be added to the list. This will enable you to receive a copy of all messages that are transmitted from this list.

*The following is a list of Multifamily mailing lists by state in Southeast Region IV:

- Alabama—Birmingham Multifamily Program Center
- Florida—Jax/Orl MF HSG; Florida MF Production Insured; and Florida MF Production TAP Informational Site
- Georgia, Puerto Rico/U.S. Virgin Islands, and Tennessee—Atlanta Multifamily Housing Hub Partners; and Georgia Multifamily Business Partners
- Kentucky—KY MF Owners and Management Agents; Louisville Multifamily Program Center; and KY Multifamily Partners
- Puerto Rico—San Juan Field Office Multifamily Program Center

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