Looking Ahead to Fiscal Year 2019
Earlier this summer, HUD Secretary Ben Carson led the swearing in ceremony for Brian Montgomery, the new Federal Housing Administration (FHA) Commissioner and Assistant Secretary for Housing. This marks his historic second appointment in this role. Read more here.

Brian Montgomery is Back as FHA Commissioner

New Deputy Assistant Secretary in Place for Multifamily Housing Programs

Congratulations to C. Lamar Seats on becoming the new Deputy Assistant Secretary for the office of Multifamily Housing Programs. Lamar is joining HUD from M&T Realty Capital Corporation, where he was a Managing Director responsible for mortgage banking activities for commercial properties, including multifamily properties. Lamar has many years of experience in commercial mortgage banking through his previous leadership roles with various lending institutions, including Enterprise Community Investment, Inc. and Reilly Mortgage Group.

Previously, Bob Iber served as Acting Deputy Assistant Secretary. A big round of applause to Bob for stepping in and leading with grace and humor. He has a tremendous ability to expertly navigate through the complexities of our Multifamily programs. Bob will remain in Multifamily Housing as a Special Advisor. Thank you, Bob!
HUD EnVision Centers

Pictured above is Housing Authority of Bowling Green (HABG) resident Ms. Varner, Southeast Regional Administrator Denise Cleveland-Leggett, HABG college-bound resident Jasmine Varner, and HABG Executive Director Abraham Williams.

This summer Southeast Regional Administrator Denise Cleveland-Leggett visited Envision Center grand openings across the Region.

The EnVision Center demonstration offers HUD-assisted families access to support services that can help them achieve self-sufficiency, thereby making scarce federal resources more readily available to a greater number of households currently waiting to receive HUD assistance.

The EnVision Centers demonstration is premised on the notion that financial support alone is insufficient to solve the problem of poverty. Intentional and collective efforts across a diverse set of organizations are needed to implement a holistic approach to foster long-lasting self-sufficiency. EnVision Centers will provide communities with a centralized hub for support in the following four pillars: (1) Economic Empowerment, (2) Educational Advancement, (3) Health and Wellness, and (4) Character and Leadership. The Economic Empowerment pillar is designed to improve the economic sustainability of individuals residing in HUD-assisted housing by empowering them with opportunities to improve their economic outlook. The Education pillar seeks to bring educational opportunities directly to HUD-assisted housing and includes partnering with public and private organizations that approach education in non-traditional ways on non-traditional platforms. The Health and Wellness pillar is designed to improve access to health outcomes by individuals and families living in HUD-assisted housing. The Character and Leadership pillar is designed to enable all individuals and families residing in HUD-assisted housing, especially young people, to reach their full potential as productive, caring, responsible citizens by encouraging participation in volunteer and mentoring opportunities.

Through results-driven partnerships with federal agencies, state and local governments, non-profits, faith-based organizations, corporations, public housing authorities (PHAs), tribal designated housing entities (TDHEs) and housing finance agencies, EnVision Centers will leverage public and private resources to help individuals and families living in HUD-assisted housing climb the ladder of opportunity.

A Government Accountability Office (GAO) report found collocating government services could be a more effective way of helping low-income Americans. EnVision Centers aim to break down the silos in government that perpetuate inefficiencies.

For additional information on EnVision Centers, please click here.
Regional Staff Visit Properties
Being Renovated in Tennessee

Recently, Ruben Brooks, Regional Center Director, Multifamily, South-east Region, and Howard Roberts, HUD Construction Analyst, visited South Central Village of Clarksville, Tennessee, and Haynes Garden Apartments in Nashville, Tennessee, to assess ongoing renovations to each property supervised by the Atlanta regional office. Both properties are being renovated through the FHA 221 (d)(4) Sub-rehab program in an effort to preserve affordable housing in each location.

South Central Village of Clarksville provides 134 Section 8 affordable senior housing units within a single structure originally constructed in 1981. The architect of record is Fielder & Associates of Lexington, Kentucky, and Advanced Building Solutions is the General Contractor.

Renovations include numerous new exterior amenities that will complement the total renovation of the interior units to increase the quality of living at this community. Unit interiors are receiving new finishes, appliances, and mechanical, electrical, and plumbing upgrades. The first units of the multi-phased project were inspected, and since then, have been released for occupancy. Units in original condition were also inspected to give a true “before and after” comparison showing the results of the transformation. Many tenants have worked with property management and the contractor to identify areas of concern and solutions to projected issues during construction. Results of this interaction is beneficial as the tenants take ownership and pride in the new community.

Haynes Garden apartments is a complex of 17, 2-story walkup residential buildings with a central leasing office/community building located in the North side of Nashville. The property was originally constructed in 1970, and provides 208 income restricted Section 8 units.

The ownership, design architect, and contractor are the same firms involved with South Central Village of Clarksville. The buildings are different in that they are constructed as wood frame structures over crawl spaces. Renovations include extensive gutting of the units to provide accessible units, new finishes throughout, renovated kitchens with new appliances, and renovated mechanical, electrical, and plumbing systems. Existing units (non-renovated) were inspected, as well as the units that are in various stages of completion. The property management and contractor took the extra step to hire a tenant liaison to facilitate communications with tenants during the construction work. The liaison is a resident who has lived at the community for many years and has extensive knowledge of the needs of this community. Tenants who have relocated into recently completed units use terms such as “thrilled” and “excited” to describe their emotions when asked how they like the new living conditions. Currently, the project is approximately 50% complete.

The work being completed on these properties reinforce the commitment by HUD to help in the preservation of affordable housing by working with industry partners willing to commit to quality work for the benefit of community residents. HUD is proud to be a part of efforts such as these to assist in building sustainable communities, and will endeavor to provide the housing residents deserve.
Fees and Other Charges at Unsubsidized Properties

Over the years, owners and their managing agents have requested HUD’s approval of an assortment of tenancy related charges and requirements. Such charges include, but are not limited to: fees for administrative activities, moving out, reservations, applications, gate entry, and trash valet services. Owners and agents have also sought HUD’s approval of property policies establishing a requirement to obtain liability or renter’s insurance.

Determining whether an owner or agent may charge certain fees to establish tenancy at an unsubsidized project is property and fact specific. The same is true for whether residents may be required to obtain liability and rental insurance. Prior to implementing any tenancy related fees or other monetary requirements, owners and agents should look to their property’s Regulatory Agreement, HUD’s regulations, state and local law, and contact HUD, where applicable.

HUD’s Regulatory Agreements outline permissibility and prior approval requirements relative to fees and other payments. The requirements and permissibility standards may be found at Sections 4(b) and 6(g) of the HUD-92466 (11/2002) Regulatory Agreement, Sections 34 and 35 of the HUD-92466M (04/11) Regulatory Agreement, and Sections 33 and 34 of the HUD-92466M (06/14) Regulatory Agreement.

In considering whether to require liability or renter’s insurance, it is important to note that the concept of consideration is an essential element of a contract for insurance. Generally, consideration is synonymous with payment. As such, the above provisions are essential to determining whether the owner or agent may require residents to purchase insurance as a condition of tenancy.

Proper due diligence and caution should be taken when determining whether to charge potential residents certain fees or other monetary requirements. Please contact the property’s assigned Account Executive for property specific guidance and further information.

Examples of unallowable fees include:

- Admission Fees
- Key Fees
- Administrative Utility Fees
- Non-Refundable Reservation Fees
- Non-Refundable Administrative Fees
- Mandatory Purchase of Liability Insurance
- Move-out Cleaning Fees (regardless of condition)

Welcome to New Staff in Jacksonville

Mark Malec recently transferred to the Jacksonville Satellite Office as Chief, Jacksonville Technical Specialist Branch. Previously, Mark served as Deputy Director for the Office of Single Family Asset Management in Washington, D.C. for four years. Prior to coming to HUD, he worked for five years for the FDIC as a Corporate Manager in Jacksonville. He resides in Jacksonville with his wife and two sons; however, he was born and raised in Wisconsin, which explains why he is a huge Green Bay Packers fan.

Clarence Quarterman recently joined the Jacksonville Satellite Office as an Account Executive in Account Executive Branch #1. Clarence is a native of Louisville, Georgia. He retired from the military with over 20 years of service. He most recently worked for the USDA Rural Development in Delaware and Maryland, where he was a Multifamily Housing Specialist. In his spare time he enjoys watching and playing golf.
New Resources to Learn About Service Coordination Plus a Toolkit to Guide Grantees in Safeguarding Funds

The Service Coordinators in Multifamily Housing Online Learning Tool is now available from HUD’s Office of Multifamily Housing Programs. This self-paced, self-directed training provides guidance on how to run an effective service coordination program. It is designed for service coordinators who are new to the program as well as experienced practitioners who want to refresh their skills. The tool includes up-to-date information on program standards for the Service Coordinators in Multifamily Housing; video interviews with practitioners highlighting best practices; and short quizzes to test your knowledge. This training is not required, but is highly recommended by HUD. Service coordinators who complete the training will receive credit towards ongoing training requirements.

A companion resource guide, HUD’s Service Coordinators in Multifamily Housing Program Resource Guide, expands on the Online Learning Tool to provide additional detail about all aspects of the program. The Resource Guide also provides an overview of what to expect during an on-site or remote review by HUD Regional or Satellite office staff.

An additional toolkit for HUD grantees and sub-recipients, the Multifamily Housing Finance and Grants Management Toolkit, provides supplemental guidance on fulfilling fiduciary grants management responsibilities. Please note that in addition to Service Coordinators in Multifamily Housing, additional audiences for this toolkit include:

- Assisted Living Conversion Program
- Congregate Housing Services Program
- Section 811 Project Rental Assistance (PRA) Program
- Service Coordinators in Multifamily Housing
- Supportive Services Demonstration for Elderly Households in HUD-Assisted Multifamily Housing

All three resources are available on HUD Exchange. If you are new to trainings on HUD Exchange, visit the Getting Started page to learn more about how to take trainings and document completion for HUD.

Please click on hot links underlined above for additional details.

CNA eTool for PRACs Suspended

Housing Notice 2016-18 was issued to guide the process and timeline for CNA eTool implementation across the Office of Multifamily Housing. The original effective date was November 1, 2017, which was delayed to February 1, 2018. The Office of Asset Management and Portfolio Oversight (OAMPO) required eTool implementation for three groups of properties: 10-year update CNAs for assets with insured mortgages; Partial Payment of Claims or Loan Modifications; and Section 202-811 properties with

PRAC assistance.

In the Housing Notice, it is noted that while the first two OAMPO groups will be submitted by the servicing lender, CNAs for Section 202-811 properties will be prepared and submitted to HUD by a needs assessor as no servicing lender exists. HUD does not have the technological capacity for needs assessors to submit CNAs on behalf of PRAC projects, and despite attempts at a workaround, the process for PRACs to submit CNAs using the CNA eTool has been inefficient and cumbersome.

Therefore, OAMPO is suspending the requirement for PRACs to utilize the CNA eTool until such time as technological updates can be made that would enable needs assessors to submit the CNA eTool on behalf of PRAC projects. PRAC projects needing to submit a rent increase in the interim should follow previous guidance in HUD Handbook 4350.1, Chapter 7: Processing Budgeted Rent Increases.
## Southeast Region Multifamily Housing Loans Endorsed FY 2018

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### Tornado Relief Donation—Greensboro, NC

In April 2018, a tornado hit Greensboro, North Carolina. Fortunately, no properties in the HUD Multifamily portfolio sustained damages. The Greensboro HUD Field Office staff, initiated and coordinated by Danette McAlister, Senior Account Executive in the Multifamily Asset Management office (MFAM), set up a donation effort to assist people in the community that may have been impacted by the tornado. The Field Office collected a total of $515 and many bags of personal items. All items were delivered on May 16, 2018, to the Backpack Beginnings. This effort that was initiated in MFAM, extended to the entire Greensboro Field Office. Some of the staff contributing are pictured above, left to right: Phil Anderson (MFAM), Eileen Wooten (MFAM), Jon Anderson, Office of General Counsel (OGC), Angela Strong, Public and Indian Housing (PIH), Danette McAlister (MFAM), Eris Reis (OGC), Linda Robertson (MFAM), Darlene Fete (MFAM), and kneeling, Greg Harris (MFAM).
HUD AND DOJ LAUNCH PUBLIC AWARENESS CAMPAIGN AGAINST SEXUAL HARASSMENT IN HOUSING

HUD No. 18-074 HUD Public Affairs

WASHINGTON - The U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Justice (DOJ) recently released a public service announcement (PSA) to raise awareness of housing-related sexual harassment and to reach persons who are victimized by it. To enhance the effectiveness of the campaign, HUD enlisted the assistance of victims to share their experiences and help convey the message that sexual harassment in housing is against the law. Watch the public service announcement (PSA).

The 60-second PSA features three victims of sexual harassment who challenged their mistreatment in lawsuits brought by HUD under the Fair Housing Act. These women share their stories of abuse and the impact the experience had on their lives.

Stephanie is one victim featured in the video, describing her experience with a landlord who threatened to evict her if she didn't have sex with him. "It was something that I didn't want to do but I had to do it. I didn't know I had a choice at that time, but now that I do, I want other people to know that they do. I want other women to know that they don't have to take this. This is just un-called for. It's unspeakable."

"A person's home is where they should feel the safest, not to live in fear of being subjected to sexual harassment," said Anna Maria Farias, HUD's Assistant Secretary for Fair Housing and Equal Opportunity. "This campaign will let the public know that they have help should they find themselves a victim of this type of behavior. The Justice Department and HUD are committed to working together to address the problem and protect their housing rights."

"Unfortunately, there are still too many landlords and managers who attempt to prey on vulnerable individuals. The launch of the nationwide PSAs is an important step in proliferating the stories of brave women and men across the country in order to raise awareness and help other victims," said John Gore, Acting Assistant Attorney General of the Civil Rights Division. "Our goal at the Justice Department is to make more people aware that no one should have to choose between a home and the right to be free from sexual harassment."

The PSA released is a joint effort between HUD and DOJ to raise awareness and make it easier for victims all over the country to find resources and report harassment. HUD will distribute the video to all Public Housing Agencies across the United States. The video is intended to air in all national media markets and will be distributed by social media to followers of HUD and the Justice Department, and amplified by other government agencies, partners, and organizations.

Last April, HUD and DOJ launched a campaign to combat sexual harassment in housing including three major components: a new HUD-DOJ Task Force to combat sexual harassment in housing; an outreach toolkit to leverage DOJ's nationwide network of U.S. Attorney's Offices, and; a public awareness campaign. The Department and HUD are working together to distribute the PSA as part of the Task Force's coordinated public outreach efforts.

Individuals who believe that they may have been victims of sexual harassment in housing should call (844) 380-6178, send an email to fairhousing@usdoj.gov, or contact HUD at (800) 669-9777. If you have information or questions about any other housing discrimination, you can call (800) 896-7743.

Congratulations to Jamie Karpman, Attorney Advisor, Office of General Counsel, Jacksonville, Florida, who was recognized this summer by the Jacksonville Bar Association. Jamie received the Bar’s 2018 President’s Award (inaugural recipient) for outstanding service to the Jacksonville Bar and the legal community.
Owner-Adopted Preferences in the RAD Program

RHIIP Listserv Posting #410

Below is an explanation of owner-adopted preferences for RAD Properties, including direction for owners wanting to establish an owner-adopted elderly preference. This message consolidates and highlights current policy located in the RAD Notice (PIH 2012-32 (HA) H-2017-03, REV-3), HUD Handbook 4350.3, REV-1, the Section 8 Statute, the regulation at 24 CFR § 5.655, and Housing Notice 2013-21.

This listserv message also makes clear that owners of RAD properties are not permitted to establish an elderly designation (i.e., a set-aside of units for the elderly) because the section 8 statute, unlike the statute governing public housing, does not authorize designations. However, owners of RAD properties may adopt a selection preference for elderly individuals and/or elderly families, which permits those applicants, to be selected from the waiting list and housed before other eligible families. Any preference adopted as part of the conversion that will alter the occupancy of the property is subject to an upfront civil rights review during the RAD conversion process. Certain preferences also require approval from HUD’s Multifamily Field Office, as described below.

Owner-Adopted Preferences That Do Not Require HUD Multifamily Field Office Approval

Project Owners may adopt a preference for any or all the populations identified in 24 CFR § 5.655(c)(5) without prior HUD approval. These four preferences are for:

- Single persons who are 62 or older over other single persons
- Single persons who are displaced over other single persons
- Single persons who are homeless over other single persons
- Single persons with disabilities over other single persons

Preferences that Require HUD Multifamily Field Office Approval

As stated in section V. b. of Housing Notice 2013-21 (issued July 25, 2013), Section 8 project owners may establish an owner-adopted preference for populations other than those identified in 24 CFR 5.655(c)(5) but first obtain local HUD office approval. Examples include but are not limited to:

- Elderly families
- Near-elderly single persons
- Near-elderly families

Note: RAD properties are not eligible for the statutory elderly preference established by Title VI, Subtitle D of the Housing and Community Development Act of 1992, implemented through 24 CFR § 880.612a, and discussed in HUD Handbook 4350.3, REV-1, paragraph 3-18. For this reason, 24 CFR § 880.612a was struck in Appendix I of the RAD Notice beginning with Revision-2 (issued June 15, 2015).

RAD Conversions Prior to June 15, 2015

RAD Conversions prior to Revision-2 to the RAD Notice (PIH 2012-32) may have established the statutory elderly preference following 24 CFR 880.612a. Further, properties may have incorrectly identified and implemented an elderly preference as an elderly designation. This is because 24 CFR § 880.612a was not struck in Appendix I of the RAD Notice prior to June 15, 2015. Owners who have done either are required to analyze their policies and, if necessary, modify them to comply with RAD Notice - Revision 3, 24 CFR 5.655(c), and Housing Notice 2013-21.

Fair Housing Requirements for Preferences

An owner may not adopt a preference that would have the purpose or effect of substantially delaying or denying the participation of other eligible families in the program on the basis of race, color, national origin, religion, sex, disability, or familial status, or would create or perpetuate segregation. Since June 15, 2015, where an owner was adopting a preference that would have the effect of changing the occupancy of the public housing property, HUD has performed an upfront civil rights review prior to authorizing the conversion.

Identifying Preferences in the Tenant Selection Plan

Owners must also include a description of any preference in use at the property. This includes the regulatory approved preferences found at 24 CFR 5.655(c)(5) and any preferences that have been approved by HUD (e.g. elderly families, near-elderly single persons, near-elderly families). Owners must inform all applicants about available preferences and give all applicants an opportunity to show that they qualify for available preferences. This notification to applicants must be made when a new preference is implemented.
## Multifamily Seek and Find

<table>
<thead>
<tr>
<th>Awareness</th>
<th>Deputy</th>
<th>Funds</th>
<th>Liability</th>
<th>Programs</th>
<th>Service</th>
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<tbody>
<tr>
<td>Centers</td>
<td>EnVision</td>
<td>Grantees</td>
<td>Listserv</td>
<td>Properties</td>
<td>Toolkit</td>
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<td>Changes</td>
<td>Fair Housing</td>
<td>Guide</td>
<td>Loans</td>
<td>RAD</td>
<td>Tornado</td>
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<td>Charges</td>
<td>Fees</td>
<td>Housing</td>
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<td>Refundable</td>
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<td>Fiscal Year</td>
<td>Legal</td>
<td>PRAC</td>
<td>Resources</td>
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A Note from the Editor

We hope this issue of the Multifamily Housing Southeast Regional News was 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 anyone who 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
• Search Mailing List
• Arrow down and select a state from the list
• 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. To unsubscribe, please do so from the same webpage site that you joined.

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

• Alabama - Birmingham Multifamily Program Center
• Florida - Jax/Orl MF HSG
• Atlanta Multifamily Housing Hub Partners
• Georgia Multifamily Business Partners
• KY MF Owners and Management Agents
• Louisville Multifamily Program Center
• KY Multifamily Partners
• Mississippi Multifamily Partners
• North Carolina Multifamily Partners
• San Juan Field Office Multifamily Program Center
• South Carolina Multifamily Partners