



# Multifamily Policy Updates

**HUD Office of Multifamily Housing Programs  
Affordable Housing Preservation Clinic**

**V11.5.15**

# Session Objectives

You will learn about the latest information about MF Policy Priorities with particular emphasis on those related to asset management and preservation, including:

- Section 8bb Transfers
- Section 214 Transfers
- Discretionary TPVs for 236 properties
- Energy/Water Efficiency
- Homeless Preference
- Supportive Services

NOFA

Walnut Park, Portland, OR  
Owner: REACH CDC



# MFH DAS 2015-2016 Priorities

 <p><b>Building a stronger HUD</b></p>	 <p><b>Helping families and individuals secure quality housing</b></p>		 <p><b>Strengthening all communities in this Century of Cities</b></p>  <p><b>Leveling the playing field for Americans from all walks of life</b></p>  <p><b>Ending Homelessness</b></p>	 <p><b>Addressing climate change and natural disasters</b></p>
<p><b>The Way We Work</b></p>	<p><b>Affordable Housing Finance</b></p>	<p><b>Rental Assistance Preservation</b></p>	<p><b>Supportive Housing / Opportunity</b></p>	<p><b>Energy/Water Efficiency</b></p>
<ul style="list-style-type: none"> <li>▪ <b>Multifamily for Tomorrow</b></li> <li>▪ Delegations of Authority</li> <li>▪ IT Services and Solutions Management</li> <li>▪ Investment Funding for Business Priorities</li> <li>▪ Internal and External Communications</li> <li>▪ Stakeholder Liaison Model Pilot</li> <li>▪ Continuous Improvement</li> <li>▪ Asset Management Project System (AMPS)</li> <li>▪ MAP Goals</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Target Mission Priorities through FHA</b></li> <li>▪ Multifamily Accelerated Processing (MAP) Guide</li> <li>▪ Small Buildings Risk Share</li> <li>▪ 223f LIHTC Pilot</li> <li>▪ Federal Financing Bank (FFB) for Housing Finance Agencies (HFAs)</li> <li>▪ Counterparty Ratings</li> <li>▪ Delegation to Lenders: Transfer of Physical Assets</li> <li>▪ 2530/Active Partners Performance System (APPS)</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Rental Assistance Demonstration (RAD) Expansion</b></li> <li>▪ <b>Transfers of Project Based Rental Assistance Budget Authority</b></li> <li>▪ Rental Assistance Demonstration (RAD) Notice</li> <li>▪ Section 8 Renewal Guide</li> <li>▪ Enforcement on Failing Assets</li> <li>▪ Budget-Based and Project Rental Assistance Contract (PRAC) Rents Review</li> <li>• Rent Comparability Study (RCS) Changes</li> <li>• 4350.1 Handbook</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Family Self Sufficiency (FSS) for Project Based Rental Assistance (PBRA)</b></li> <li>▪ “Choice Neighborhoods” NOFA with OPHI</li> <li>▪ Service Coordinator Program</li> <li>▪ VISTA Volunteer Expansion</li> <li>▪ 202 Demonstration Notice of Funding Availability (NOFA)</li> <li>▪ Broadband Access</li> <li>▪ Equal Access Notice</li> <li>▪ Homeless Preference Uptake</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Energy Use Benchmarking</b></li> <li>▪ Capital Needs Assessment (CNA) E-tool</li> <li>▪ Property Assessed Clean Energy</li> <li>▪ Better Buildings Challenge (BBC) Policy: Distributions</li> <li>▪ Better Buildings Challenge (BBC) Policy: On-Bill Repayment</li> <li>▪ Better Buildings Challenge (BBC) Participation</li> <li>▪ Pay for Success</li> </ul>

# Multifamily Top Policy Priorities

<p><b>The Way we Work</b></p>	<p><b>Multifamily for Tomorrow</b> - Our <i>Multifamily for Tomorrow</i> transformation efforts anticipate future needs and maximize current capacity by retraining staff, reorganizing offices, and adopting new business models.</p>
<p><b>Affordable Housing Finance</b></p>	<p><b>Target Mission Priorities through FHA</b> - HUD seeks to prioritize FHA lending for affordable and energy efficiency units.</p>
<p><b>Rental Assistance Preservation</b></p>	<p><b>Rental Assistance Demonstration (RAD) Expansion</b> - RAD first component will serve 185,000 PHA units.</p> <p><b>Transfers of Project Based Rental Assistance Budget Authority</b> - Guidance on Section 8bb and 214 transfers will help HUD put rental assistance where it's needed most.</p>
<p><b>Supportive Housing / Opportunity</b></p>	<p><b>Family Self Sufficiency (FSS) for Project Based Rental Assistance (PBRA)</b> - HUD seeks so extend this asset building program for participating tenants to Multifamily properties.</p>
<p><b>Energy / Water Efficiency</b></p>	<p><b>Energy Use Benchmarking</b> - HUD seeks to gather data about energy usage from a whole building perspective.</p>

SECTION 8BB AND SECTION 214  
**TRANSFERS OF RENTAL  
ASSISTANCE**

# Section 8bb Transfers

- Section 8bb – Transfer of remaining Section 8 budget authority on a contract to one or more contracts (new or existing)
- Key preservation tool to assist eligible families
- Allowable when an owner opts out or mutually agrees with HUD to terminate
- Notice H 2015-03 provides HUD's terms and conditions for approval of a transfer

# Section 214 Transfers

- Also a key tool to preserve limited affordable housing resource
- Allows transfer of PBRA, PRAC, PAC rental assistance, HUD-Held or HUD-Insured debt and/or use agreements
- Transferring/Receiving project must meet criteria similar to 8bb, with some additional requirements
- Criteria for Sec. 214 Transfers are spelled out in Federal Register Notice [HUD-2015-0027](#)

# 8bb – 214 Common Features

1. Approval letter can be a conditional commitment for new construction or rehab
2. If receiving project is new construction, no transfer until certificate of occupancy issued
3. Facilitate neighborhoods improving or improved; limitations on poverty and minority concentrations for receiving site
4. Transfers can go to properties that are not HUD-affiliated



# 8bb – 214 Common Features (cont)

5. Tenant Protection Vouchers (TPV) are available for those tenants residing in Section 8 subsidized units who do not wish to relocate
6. Receiving property must have REAC score above 60, no open DEC referrals
7. Tenant notification requirements addressed in notice

# For Additional Information

- Section 8bb – [Housing Notice 2015-03](#)
- Section 214 – [HUD-2015-0027](#)
- Coming Soon! Section 214 Housing Notice w/sample forms

# DISCRETIONARY TPVS FOR 236 PROPERTIES

# Discretionary Tenant Protection Vouchers for Section 236 Properties

**What if my property does NOT meet TPV or EV requirements?**

HUD currently has limited competitive funds for Enhanced Vouchers or Project-based Vouchers.

- Eligibility – certain tenants in low-vacancy areas, at risk due to loss of affordability and not otherwise eligible for TPVs.
- Funding for FY15 see Notice PIH 2015-07.

# ENERGY AND WATER EFFICIENCY

# Energy and Water Efficiency

- 2013-14: Better Buildings Challenge for Multifamily Sector, 4 flex policies and TA
- 2015: Property Assessed Clean Energy (PACE) Financing for California Multifamily properties guidance
- 2015: RAD component 1 guidance
- 2015: Utility Allowance Methodology guidance
- 2015: Broad Tech Assistance – Access to Solar Energy web site, Water Wednesdays with EPA

# HOMELESS PREFERENCE

# Overview of Housing Notice 2013-21

- Expands preference options for owners.
- Use homeless definition that suits community's needs (veterans, families, etc.).
- Owners encouraged to connect with Continuum of Care service providers to access resources for resident services.

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Special Attention of:

Multifamily Hub Directors  
Multifamily Program Center Directors  
Rural Housing Services (RHS) Directors  
Supervisory Housing Project Managers  
Housing Project Managers  
Contract Administrators  
Multifamily Owners and Management Agents

NOTICE: H 2013-21

Issued: July 25, 2013

Expires: This notice remains in effect until amended, revoked, or superseded.

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Subject: Implementation and approval of owner-adopted admissions preferences for individuals or families experiencing homelessness

- I. **Purpose:** This Notice provides guidance to HUD field offices, contract administrators, and property owners on the circumstances under which owners of assisted properties may adopt admissions preferences. This notice clarifies 24 CFR §5.655(c)(1) - (c)(5) to allow for owners to adopt, with HUD approval, admissions preferences not specified there, in particular, preferences to house homeless families.
- II. **Background:** The Office of Multifamily Housing Programs (Multifamily Housing) had strictly interpreted 24 CFR §5.655(c)(1) - (c)(5) *Section 8 project-based assistance programs: Owner preferences in selection for a project or unit*, to mean that owners were limited in adopting preferences in the selection of residents to those preferences specifically cited in the regulation. That interpretation did not allow for an owner to adopt a preference for homeless families, as owners could not adopt preferences outside of 5.655(c)(1) - (c)(5). However, in consultation with the Office of General Counsel, Multifamily Housing has revisited this issue and has **broadened** its interpretation to allow that silence within the provision does not preclude owners from adopting preferences outside of those cited.
- III. **Applicability:** All Multifamily rental assistance programs.
- IV. **Definition of Homeless:** The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act) revised the definition of homeless for HUD's



# Questions and Answers

**HUD Can  
Guide You  
Through the  
Process**

