



**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**[Docket No. FR-5711-N-04]**

**Notice of Regulatory Waiver Requests Granted  
for the Fourth Quarter of Calendar Year 2013**

**AGENCY:** Office of the General Counsel, HUD.

**ACTION:** Notice.

**SUMMARY:** Section 106 of the Department of Housing and Urban Development Reform Act of 1989 (the HUD Reform Act) requires HUD to publish quarterly Federal Register notices of all regulatory waivers that HUD has approved. Each notice covers the quarterly period since the previous Federal Register notice. The purpose of this notice is to comply with the requirements of section 106 of the HUD Reform Act. This notice contains a list of regulatory waivers granted by HUD during the period beginning on October 1, 2013, and ending on December 31, 2013.

**FOR FURTHER INFORMATION CONTACT:** For general information about this notice, contact Camille E. Acevedo, Associate General Counsel for Legislation and Regulations, Department of Housing and Urban Development, 451 7th Street, SW, Room 10282, Washington, DC 20410-0500, telephone 202-708-1793 (this is not a toll-free number). Persons with hearing- or speech-impairments may access this number through TTY by calling the toll-free Federal Relay Service at 800-877-8339.

For information concerning a particular waiver that was granted and for which public notice is provided in this document, contact the person whose name and address follow the description of the waiver granted in the accompanying list of waivers that have been granted in the fourth quarter of calendar year 2013.

**SUPPLEMENTARY INFORMATION:**

Section 106 of the HUD Reform Act added a new section 7(q) to the Department of Housing and Urban Development Act (42 U.S.C. 3535(q)), which provides that:

1. Any waiver of a regulation must be in writing and must specify the grounds for approving the waiver;
2. Authority to approve a waiver of a regulation may be delegated by the Secretary only to an individual of Assistant Secretary or equivalent rank, and the person to whom authority to waive is delegated must also have authority to issue the particular regulation to be waived;
3. Not less than quarterly, the Secretary must notify the public of all waivers of regulations that HUD has approved, by publishing a notice in the Federal Register. These notices (each covering the period since the most recent previous notification) shall:
  - a. Identify the project, activity, or undertaking involved;
  - b. Describe the nature of the provision waived and the designation of the provision;
  - c. Indicate the name and title of the person who granted the waiver request;
  - d. Describe briefly the grounds for approval of the request; and
  - e. State how additional information about a particular waiver may be obtained.

Section 106 of the HUD Reform Act also contains requirements applicable to waivers of HUD handbook provisions that are not relevant to the purpose of this notice.

This notice follows procedures provided in HUD's Statement of Policy on Waiver of Regulations and Directives issued on April 22, 1991 (56 FR 16337). In accordance with those procedures and with the requirements of section 106 of the HUD Reform Act, waivers of regulations are granted by the Assistant Secretary with jurisdiction over the regulations for which a waiver was requested. In those cases in which a General Deputy Assistant Secretary granted

the waiver, the General Deputy Assistant Secretary was serving in the absence of the Assistant Secretary in accordance with the office's Order of Succession.

This notice covers waivers of regulations granted by HUD from October 1, 2013 through December 31, 2013. For ease of reference, the waivers granted by HUD are listed by HUD program office (for example, the Office of Community Planning and Development, the Office of Fair Housing and Equal Opportunity, the Office of Housing, and the Office of Public and Indian Housing, etc.). Within each program office grouping, the waivers are listed sequentially by the regulatory section of title 24 of the Code of Federal Regulations (CFR) that is being waived. For example, a waiver of a provision in 24 CFR part 58 would be listed before a waiver of a provision in 24 CFR part 570.

Where more than one regulatory provision is involved in the grant of a particular waiver request, the action is listed under the section number of the first regulatory requirement that appears in 24 CFR and that is being waived. For example, a waiver of both § 58.73 and § 58.74 would appear sequentially in the listing under § 58.73.

Waiver of regulations that involve the same initial regulatory citation are in time sequence beginning with the earliest-dated regulatory waiver.

Should HUD receive additional information about waivers granted during the period covered by this report (the fourth quarter of calendar year 2013) before the next report is published (the first quarter of calendar year 2014), HUD will include any additional waivers granted for the third quarter in the next report.

Accordingly, information about approved waiver requests pertaining to HUD regulations is provided in the Appendix that follows this notice.

Dated: March 10, 2014.

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Damon Y. Smith,  
Acting General Counsel.

**[FR-5711-N-04]**

## APPENDIX

### **Listing of Waivers of Regulatory Requirements Granted by Offices of the Department of Housing and Urban Development October 1, 2013 through December 31, 2013**

**Note to Reader:** More information about the granting of these waivers, including a copy of the waiver request and approval, may be obtained by contacting the person whose name is listed as the contact person directly after each set of regulatory waivers granted.

The regulatory waivers granted appear in the following order:

- I. Regulatory waivers granted by the Office of Community Planning and Development.
- II. Regulatory waivers granted by the Office of Housing.
- III. Regulatory waivers granted by the Office of Public and Indian Housing.

#### **I. Regulatory Waivers Granted by the Office of Community Planning and Development**

For further information about the following regulatory waivers, please see the name of the contact person that immediately follows the description of the waiver granted.

- **Regulation:** 24 CFR 58.22(a).

**Project/Activity:** The Texas Department of Housing and Community Affairs (TDHCA) requested a waiver of HUD's environmental regulations at 24 CFR 58.22(a), limitations on activities pending clearance, for land acquisition in La Feria, Texas. This project became subject to 24 CFR part 58 on March 1, 2012, when Sunrise Terrace L.P. applied for a \$1,444,000 HOME loan through TDHCA as part of the project financing. Other funds were used to close the sale of

the property on September 11, 2012, prior to obtaining HUD's approval of a Request for Release of Funds (RROF).

**Nature of Requirement:** Section 58.22 addresses limitations on activities pending clearance. Section 58.22(a) provides that neither a recipient nor any participant in the development process, including public or private nonprofit or for-profit entities, or any of their contractors, may commit HUD assistance under a program listed in 24 CFR 58.1(b) on an activity or project until HUD or the state has approved the recipient's RROF and the related certification from the responsible entity. In addition, until the RROF and the related certification have been approved, neither a recipient nor any participant in the development process may commit non-HUD funds on or undertake an activity or project under a program listed in 24 CFR 58.1(b) if the activity or project would have an adverse environmental impact or limit the choice of reasonable alternatives.

**Granted By:** Mark Johnston, Deputy Assistant Secretary for Special Needs Programs.

**Date Granted:** December 20, 2013.

**Reason Waived:** It was determined that the project would further the HUD mission and would advance HUD program goals to develop viable, quality communities and affordable housing. It was further determined that the grantee unknowingly violated the regulation; no HUD funds were committed; and based on the environmental assessments and the HUD field inspection no adverse environmental impact resulted from the procedural error.

**Contact:** Nelson A. Rivera, Office of Environment and Energy, Office of Community Planning and Development, Department of Housing and Urban Development, 451 7th Street, SW, Room 7248, Washington, DC 20410, telephone (202) 708-4225.

- **Regulation:** 24 CFR 58.22(a).

**Project/Activity:** The City of Coralville, IO requested a waiver of HUD's environmental regulations at 24 CFR 58.22(a), limitations on activities pending clearance, for the Cedar Rapids and Iowa City Railroad Bridge flood control project along the Iowa River. This project became subject to 24 CFR Part 58 when the City applied for a \$2.5 million CDBG grant through the Iowa Economic Development Administration (IEDA) as part of the project financing. The U.S. Department of Commerce Economic Development Administration (EDA) funds were used to begin construction of the project in August 2012, including the portion to which CDBG funds were targeted, prior to completion of HUD's environmental review requirements.

**Nature of Requirement:** Section 58.22 addresses limitations on activities pending clearance. Section 58.22(a) provides that neither a recipient nor any participant in the development process, including public or private nonprofit or for-profit entities, or any of their contractors, may commit HUD assistance under a program listed in 24 CFR 58.1(b) on an activity or project until HUD or the state has approved the recipient's RROF and the related certification from the responsible entity. In addition, until the RROF and the related certification have been approved, neither a recipient nor any participant in the development process may commit non-HUD funds on or undertake an activity or project under a program listed in 24 CFR 58.1(b) if the activity or project would have an adverse environmental impact or limit the choice of reasonable alternatives.

**Granted By:** Mark Johnston, Deputy Assistant Secretary for Special Needs Programs.

**Date Granted:** November 21, 2013.

**Reason Waived:** The flood control project furthers the HUD mission and advances HUD program goals to develop viable, quality communities by protecting businesses and residents from flooding; the grantee unknowingly violated the regulation; and based on the

environmental assessments and the HUD field inspection no adverse environmental impact resulted from the procedural error.

**Contact:** Nelson A. Rivera, Office of Environment and Energy, Office of Community Planning and Development, Department of Housing and Urban Development, 451 7th Street, SW, Room 7248, Washington, DC 20410, telephone (202) 708-4225.

- **Regulations:** 24 CFR 92.500 (d)(1)(B) and 24 CFR 92.500(d)(1)(C).

**Project/Activity:** Jefferson Parish Consortium, LA requested a waiver of 24 CFR 92.500(d)(1)(B) and 24 CFR 92.500(d)(1)(C) to provide additional time to commit and expend its annual allocation of HOME funds in order to facilitate the ongoing recovery from the devastation caused by Hurricane Isaac.

**Nature of Requirements:** 24 CFR 92.500 (d)(1)(B) requires a HOME participating jurisdiction to commit its annual allocation of HOME funds within 24 months after HUD notifies the participating jurisdiction that it has executed the HOME Investment Partnership Agreement. 24 CFR 92.500(d)(1)(C) requires a HOME participating jurisdiction to expend its annual allocation of HOME funds within five years after HUD notifies the participating jurisdiction that it has executed the HOME Investment Partnership Agreement.

**Granted By:** Mark Johnston, Deputy Assistant Secretary for Special Needs Programs.

**Date Granted:** November 8, 2013.

**Reasons Waived:** The waivers were granted to ensure the community is able to retain the HOME Investment Partnership funds and has sufficient time to complete housing activities that are needed to address the damage caused by Hurricane Isaac. In 2012, the Consortium was awarded an additional \$16,453,000 of Community Development Block Grant Disaster Relief

funds. Consequently, the Consortium was required to commit and expend a large amount of funds in a short period of time.

**Contact:** Virginia Sardone, Director, Office of Affordable Housing Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 7th Street, SW, Room 7164, Washington, DC 20410, telephone (202) 708-2684.

- **Regulation:** 24 CFR 570.200(h).

**Project/Activity:** On December 13, 2013, HUD issued a CPD Notice implementing revised procedures to govern the submission and review of consolidated plans and action plans for FY 2014 funding prior to the enactment of a FY 2014 HUD appropriation bill. These procedures apply to any grantee whose program year start date for FY 2014 funding occurs during the period starting October 1, 2013, and ending August 16, 2014 or 60 days after HUD announcement of FY 2014 allocation amounts for CDBG, ESG, HOME and HOPWA formula funding (whichever comes first). Any grantee with an FY 2014 program year start date during the period starting October 1, 2013, and ending August 16, 2014 or 60 days after HUD announcement of FY 2014 allocation amounts (whichever comes first), is advised not to submit its consolidated plan/action plan until the FY 2014 formula allocations have been announced.

This waiver will apply to any Entitlement, Insular or Hawaii nonentitlement CDBG grantee whose program year start date for FY 2014 funding occurs during the period starting October 1, 2013, and ending August 16, 2014 or 60 days after HUD announcement of FY 2014 allocation amounts for formula program funding (whichever comes first). This waiver is available for use by any applicable CDBG grantee whose action plan submission is delayed past the normal submission date because of delayed enactment of FY 2014 appropriations for the Department. This waiver authority is only in effect until August 16, 2014.

**Nature of Requirement:** The Entitlement CDBG program regulations provide for situations in which a grantee may incur costs against its CDBG grant prior to the award of its grant from HUD. Under 24 CFR 570.200(h) of the regulations, the effective date of a grantee's grant agreement is either the grantee's program year start date or the date that the grantee's annual action plan is received by HUD, whichever is later. This waiver allows grantees to treat the effective date of the FY 2014 program year as the grantee's program year start date or the date that the grantee's annual action plan is received by HUD, whichever is earlier.

**Granted By:** Mark Johnston, Deputy Assistant Secretary for Special Needs Programs.

**Date Granted:** December 13, 2013.

**Reason Waived:** Under the provisions of the Notice, a grantee's action plan may not be submitted to (and thus received by) HUD until several months after the grantee's program year start date. Lengthy delays in the receipt of annual appropriations by HUD, and implementation of the policy to delay submission of FY 2014 Action Plans, may have negative consequences for CDBG grantees that intend to incur eligible costs prior to the award of FY 2014 funding. Some activities might otherwise be interrupted while implementing these revised procedures. In addition, grantees might not otherwise be able to use CDBG funds for planning and administrative costs of administering their programs. In order to address communities' needs and to ensure that programs can continue without disturbance, this waiver will allow grantees to incur pre-award costs on a timetable comparable to that under which grantees have operated in past years.

**Contact:** Steve Johnson, Director, Entitlement Communities Division, Office of Block Grant Assistance, Office of Community Planning and Development, 451 7th Street, SW, Room 7282, Washington, DC 20410, telephone (202) 708-1577.

- **Regulation:** 24 CFR part 576.403(c).

**Project/Activity:** In response to a request from the City of Rockford, IL, Du Page County, IL, and the State of Illinois, HUD granted a limited waiver of §576.403(c) to allow Prairie State Legal Services to provide legal services under the homelessness prevention component to program participants who want to stay in their units, even if the units do not meet the habitability standards. The limited waiver also allows those program participants receiving the legal services to receive ESG-funded case management, as required by §576.401(d) and (e), even if their units do not meet the habitability standards. However, the limited waiver is contingent upon the commitment of the recipients, their subrecipient, Prairie State Legal Services, and the subrecipient(s) providing the required case management to work with the property owners to bring the units into compliance with the habitability standards or assist the program participants to move if the units are unsafe.

**Nature of Requirement:** The regulation at §576.403(c) states that the recipient or subrecipient cannot use ESG funds to help a program participant remain in or move into housing that does not meet the ESG minimum habitability standards for permanent housing.

**Granted By:** Mark Johnston, Deputy Assistant Secretary for Special Needs Programs.

**Date Granted:** November 29, 2013.

**Reason Waived:** HUD recognizes that in certain instances, the best way to help program participants avoid homelessness is to keep them in their housing until better housing can be located, or their existing housing can be brought up to code. Legal services provide an important resource for persons who are at risk of homelessness, who need immediate assistance to help them avoid moving to the streets or emergency shelters. In some instances, it is not feasible to inspect a unit to ensure that it meets the habitability standards prior to the provision of the legal

services assistance necessary to prevent homelessness for the individual or family. Also in some cases, the habitability requirement actually prohibits eligible program participants from receiving the legal services that could assist them to make the unit habitable and stabilize them in their housing.

**Contact:** Ann M. Oliva, Director, Office of Special Needs Assistance Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 7th Street, SW, Room 7262, Washington, DC 20410, telephone number (202) 708-4300.

## **II. Regulatory Waivers Granted by the Office of Housing – Federal Housing**

### **Administration (FHA)**

For further information about the following regulatory waivers, please see the name of the contact person that immediately follows the description of the waiver granted.

- **Regulations:** 24 CFR 5.801(c)(3), 202.5(g)(1), and 202.6(c)(2).

**Program/Activity:** Annual Recertifications and Renewal Fees

**Nature of Requirement:** HUD's regulations at 24 CFR 5.801(c)(3), 202.5(g)(1), and 202.6(c)(2) require Title I and Title II lenders and mortgagees to file their annual recertification package and annual renewal fees within 90 days of the end of their fiscal year.

**Granted By:** Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

**Date Granted:** November 27, 2013.

**Reason Waived:** All FHA-approved lenders and mortgagees with a fiscal year end of December 31, 2013 or later must use the Lender Electronic Assessment Portal (LEAP) to

complete the annual certification, submit financial reports and pay recertification fees, however, because LEAP recertification functionality will not be deployed until after March 31, 2014, lenders and mortgagees with a fiscal year end of December 31, 2013 will be unable to access LEAP within the required timeframe. Therefore, a waiver of the 90 day deadline for FHA-approved lenders and mortgagees with a fiscal year end of December 31, 2013, was necessary and the filing date was extended until 30 days after the deployment of LEAP recertification functionality.

**Contact:** Joy Hadley, Director of Office of Lender Activities and Program Compliance, Department of Housing and Urban Development, 451 7th Street, SW, Room 3214, Washington, DC 20410, telephone (202) 708-1515.

- **Regulation:** Mortgagee Letter 2011-22.

**Program/Activity:** Certain FHA-Insured Condominiums

**Nature of Requirement:** HUD's Mortgagee Letter 2011-22 requires master/blanket hazard, flood, liability and other insurance requirements for Manufactured Housing Condominium Projects (MHCP), Detached Condominium Housing Projects (DCHP), and Common Interest Housing Development (CIHD).

**Granted By:** Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

**Date Granted:** November 27, 2013.

**Reason Waived:** The waiver of the master/blanket hazard, flood, liability and other insurance requirements contained in Mortgagee Letter 2011-22 was necessary because MHCPs, DCHPs, and CIHDs could not practicably satisfy these requirements. Therefore, it was

determined that allowing the individual unit owner to obtain and maintain their own insurances should be allowed.

**Contact:** Joanne Kuczma, Office of Housing, Department of Housing and Urban Development, 451 7th Street, SW, Room 9278, Washington, DC 20410, telephone (202) 708-2121.

- **Regulation:** 24 CFR 219.220(b).

**Project/Activity:** Oak Creek Townhomes, FHA Project Number 013-030NI, Auburn, New York. The owners have requested deferral of repayment of the Flexible Subsidy Operating Assistance Loan on this project due to their inability to repay the loan in full upon maturity.

**Nature of Requirement:** Section 219.220(b) governs the repayment of operating assistance provided under the Flexible Subsidy Program for Troubled Projects prior to May 1, 1996 states: “Assistance that has been paid to a project owner under this subpart must be repaid at the earlier of the expiration of the term of the mortgage, termination of mortgage insurance, prepayment of the mortgage, or a sale of the project. . .” Either of these actions would typically terminate FHA involvement with the property, and the Flexible Subsidy Loan would be repaid, in whole, at that time.

**Granted by:** Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

**Date Granted:** November 21, 2013.

**Reason Waived:** The owner requested and was granted waiver of the requirement to defer repayment of the Flexible Subsidy Operating Assistance Loan to allow the much needed

preservation and moderate rehabilitation of the project. The project will be preserved as an affordable housing resource for an additional 32 years for the residents of Auburn.

**Contact:** Mark B. Van Kirk, Director, Office of Asset Management, Office of Housing, Department of Housing and Urban Development, 451 7th Street, SW, Room 6160, Washington, DC 20410, telephone (202) 708-3730.

- **Regulation:** 24 CFR 219.220(b).

**Project/Activity:** Canaan Village Apartments, FHA Project Number 064-35452, Shreveport, Louisiana. The owner has requested to defer repayment of the Flexible Subsidy Operating Assistance Loan due to their inability to pay the loan in full upon maturity.

**Nature of Requirement:** Section 219.220(b) governs the repayment of operating assistance provided under the Flexible Subsidy Program for Troubled Projects prior to May 1, 1996 states: “Assistance that has been paid to a project owner under this subpart must be repaid at the earlier of the expiration of the term of the mortgage, termination of mortgage insurance, prepayment of the mortgage, or a sale of the project. . .” Either of these actions would typically terminate FHA involvement with the property, and the Flexible Subsidy Loan would be repaid, in whole, at that time.

**Granted by:** Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

**Date Granted:** October 29, 2013.

**Reason Waived:** Waiver of this regulation has been granted because the Owner has demonstrated that deferral of repayment of the Flexible Subsidy Operating Assistance Loan will allow the re-amortization of the loan and completion of much needed repairs at the project.

Waiving the requirement will recapitalize the project and provide its long-term preservation as an affordable housing resource to 40 years.

**Contact:** Mark B. Van Kirk, Director, Office of Asset Management, Office of Housing, Department of Housing and Urban Development, 451 7th Street, SW, Room 6160, Washington, DC 20410, telephone (202) 708-3730.

- **Regulation:** 24 CFR 219.220(b).

**Project/Activity:** Christ Church Apartments, FHA Project Number 083-44087, Lexington, Kentucky. The owner has requested deferral of repayment of the Flexible Subsidy Operating Assistance Loan due to their inability to pay the loan in full upon maturity.

**Nature of Requirement:** Section 219.220(b) governs the repayment of operating assistance provided under the Flexible Subsidy Program for Troubled Projects prior to May 1, 1996 states: “Assistance that has been paid to a project owner under this subpart must be repaid at the earlier of the expiration of the term of the mortgage, termination of mortgage insurance, prepayment of the mortgage, or a sale of the project. . .” Either of these actions would typically terminate FHA involvement with the property, and the Flexible Subsidy Loan would be repaid, in whole, at that time.

**Granted by:** Carol J. Galante, Assistant Secretary for Housing–Federal Housing Commissioner.

**Date Granted:** November 7, 2013.

**Reason Waived:** It was determined that providing for waiver of this regulation would allow the owner to defer repayment of the Flexible Subsidy Operating Assistance Loan and

preserve the project as affordable housing for the elderly and handicapped citizens of Lexington, Kentucky. The deferment would assure the property's affordability for an additional 20 years.

**Contact:** Mark B. Van Kirk, Director, Office of Asset Management, Office of Housing, Department of Housing and Urban Development, 451 7th Street, SW, Room 6160, Washington, DC 20410, telephone (202) 708-3730.

- **Regulation:** 24 CFR 219.220(b).

**Project/Activity:** Allegheny Union Baptist, FHA Project Number 033-SH009, Pittsburgh, Pennsylvania. The owner has requested deferral of repayment of the Flexible Subsidy Operating Assistance Loan due to their inability to pay the loan in full upon maturity.

**Nature of Requirement:** Section 219.220(b) governs the repayment of operating assistance provided under the Flexible Subsidy Program for Troubled Projects prior to May 1, 1996 states: "Assistance that has been paid to a project owner under this subpart must be repaid at the earlier of the expiration of the term of the mortgage, termination of mortgage insurance, prepayment of the mortgage, or a sale of the project. . ." Either of these actions would typically terminate FHA involvement with the property, and the Flexible Subsidy Loan would be repaid, in whole, at that time.

**Granted by:** Carol J. Galante, Assistant Secretary for Housing–Federal Housing Commissioner.

**Date Granted:** November 4, 2013.

**Reason Waived: Reason Waived:** The owner requested and was granted waiver of the requirement to defer repayment of the Flexible Subsidy Operating Assistance Loan because there were insufficient funds available to repay the loan upon maturity. The owner advised that it

planned to rehabilitate the senior building, creating more spacious units, using energy-efficient practices and providing vital amenities that allow the elderly residents to age in place. The deferment would assure the property's affordability for an additional 20 years.

**Contact:** Mark B. Van Kirk, Director, Office of Asset Management, Office of Housing, Department of Housing and Urban Development, 451 7th Street, SW, Room 6160, Washington DC 20410, telephone (202) 708-3730.

- **Regulation:** 24 CFR 219.220(b).

**Project/Activity:** Quincy Point Homes III, FHA Project Number 023-44809, Quincy, Maine. The owners have requested deferral of repayment of the Flexible Subsidy Operating Assistance Loan on this project due to their inability to repay the loan in full upon maturity.

**Nature of Requirement:** Section 219.220(b) governs the repayment of operating assistance provided under the Flexible Subsidy Program for Troubled Projects prior to May 1, 1996 states: "Assistance that has been paid to a project owner under this subpart must be repaid at the earlier of the expiration of the term of the mortgage, termination of mortgage insurance, prepayment of the mortgage, or a sale of the project. . ." Either of these actions would typically terminate FHA involvement with the property, and the Flexible Subsidy Loan would be repaid, in whole, at that time.

**Granted by:** Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

**Date Granted:** December 20, 2013.

**Reason Waived:** The owner requested and was granted waiver of the requirement to defer repayment of the Flexible Subsidy Operating Assistance Loan to allow the much needed preservation and moderate rehabilitation of the project. The project will be preserved as an affordable housing resource for an additional 20 years for the residents of Quincy.

**Contact:** Minnie Monroe-Baldwin, Director of Preservation, Office of Affordable Housing Preservation, Office of Housing, Department of Housing and Urban Development, 451 7th Street, SW, Washington, DC 20410, telephone (202) 402-2636.

- **Regulation:** 24 CFR 232.7.

**Project/Activity:** Dolan Residential Care (Dolan) serves dementia care residents and operates out of five separate buildings. The facilities are licensed for 51 residents in total. The buildings are located in St. Louis, MO.

**Nature of Requirement:** The regulation mandates in a board and care home or assisted living facility that the not less than one full bathroom must be provided for every four residents. Also, the bathroom cannot be accessed from a public corridor or area.

**Granted By:** Carol J. Galante, Assistant Secretary for Housing – Federal Housing Commissioner.

**Date Granted:** November 27, 2013.

**Reason Waived:** It was determine that the dementia care residents of Dolan all need assistance with bathing. The bathrooms/shower rooms provide enough space for staff to safely assist the residents. Dolan has concluded that this arrangement is safer for the residents.

**Contact:** Vance T. Morris, Special Assistant, Office of Healthcare Program, Office of Housing, Department of Housing and Urban Development, 451 7th Street SW, Room 2337, Washington, DC 20410, telephone (202) 402-2419.

- **Regulation:** 24 CFR 290.30.

**Project/Activity:** San Augustine Development Center (located in the County of San Augustine, in the State of Texas) has been in two different Note Sales - at which time the Office of Healthcare Programs (OHP) has not accepted the bids. OHP has now received a proposal from the County (coordinated by County Judge Samye Johnson) to purchase the note in an amount greater than the two competitive bids. This proposal was made on a non-competitive basis and therefore does not meet the requirement in 24 CFR§ 290.30, which requires that HUD sell HUD-held multifamily mortgages on a competitive basis.

**Nature of Requirement:** Section 290.30 of HUD's regulations requires that HUD shall sell HUD-held multifamily mortgages on a competitive basis.

**Granted By:** Carol J. Galante, Assistant Secretary for Housing – Federal Housing Commissioner.

**Date Granted:** December 18, 2013.

**Reason Waived:** It was determined that the amount proposed by the County would be substantially higher than the highest bids in the previous attempts to sell the note competitively, and the County proposed to use the facility to promote services to the residents of the County, which is in line with HUD's mission.

**Contact:** Vance T. Morris, Special Assistant, Office of Healthcare Program, Office of Housing, Department of Housing and Urban Development, 451 7th Street SW, Room 2337, Washington, DC 20410, telephone (202) 402-2419.

- **Regulation:** 24 CFR 891.100(d).

**Project/Activity:** Valor Apartments, Seattle, WA, Project Number: 127-HD045/WA19-Q101-004.

**Nature of Requirement:** Section 891.100(d) prohibits amendment of the amount of the approved capital advance funds prior to closing.

**Granted by:** Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

**Date Granted:** December 16, 2013.

**Reason Waived:** The project is economically designed and comparable in cost to similar projects in the area, and the sponsor/owner exhausted all efforts to obtain additional funding from other sources.

**Contact:** Catherine M. Brennan, Director, Office of Housing Assistance and Grant Administration, Office of Housing, Department of Housing and Urban Development, 451 7th Street, SW, Room 6134, Washington, DC 20410-8000, telephone (202) 708-3000.

- **Regulation:** 24 CFR 891.165.

**Project/Activity:** Westcliff Heights Senior Apartments, Las Vegas, NV,  
Project Number: 125-EE131/NV25-S081-001.

**Nature of Requirement:** Section 891.165 provides that the duration of the fund reservation of the capital advance is 18 months from the date of issuance with limited exceptions up to 36 months, as approved by HUD on a case-by-case basis.

**Granted by:** Carol J. Galante, Assistant Secretary for Housing-Federal Housing

Commissioner.

**Date Granted:** November 1, 2013.

**Reason Waived:** Additional time was needed due to unexpected construction cost increases and complexities involved in the proposed financing structure for this capital advance upon completion project to reach initial closing.

**Contact:** Catherine M. Brennan, Director, Office of Housing Assistance and Grant Administration, Office of Housing, Department of Housing and Urban Development, 451 7th Street, SW, Room 6134, Washington, DC 20410, telephone (202) 708-3000.

### **III. Regulatory Waivers Granted by the Office of Public and Indian Housing**

For further information about the following regulatory waivers, please see the name of the contact person that immediately follows the description of the waiver granted.

- **Regulation:** 24 CFR 941.606(n)(1)(ii).

**Project/Activity:** South Mississippi Housing and Development Corporation, MS/Sanderson Village Homes.

**Nature of Requirement:** The provision requires that the PHA shall submit certifications and assurances warranting that it “will use an open and competitive process to select the partner and/or the owner entity and shall ensure that there is no conflict of interested involved in the PHA’s selection or the partner and/or ownership entity to develop and operate the proposed public housing units.”

**Granted by:** Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing.

**Date Granted:** October 21, 2013.

**Reason Waived:** HUD reviewed, and acknowledged South Mississippi Housing and Development Corporation (SMHD) decisions to procure Landmark development Services, LLC through a noncompetitive proposal, as permitted under 24 CFR 85.36(d)(4). As a result of this action, SMHD could not submit the required certifications and assurances that it would use an open and competitive process to select its partners, as required under 24 CFR 941.606(n)(1)(ii) , as part of its mixed-finance proposal for Sanderson Village Homes. Therefore, good cause was found to waive 24 CFR 941.606(n)(1)(ii) for the limited purpose of selecting Landmark Development Services, LLC as the development partner for this project.

**Contact:** Dominique Blom, Deputy Assistant Secretary for the Office of Public Housing Investments, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 7th Street, SW, Room 4130, Washington, DC 20140, telephone (202) 402-4181.

- **Regulation:** 24 CFR 982.503(c), 982.503(c)(4)(ii) and 982.503(c)(5).

**Project/Activity:** Burleigh County Housing Authority (BCHA), Burleigh County, ND.

**Nature of Requirement:** Section 982.503(c) of HUD's regulations establishes the methodology for establishing exception payment standards for an area. Section 982.503(c)(4)(ii) states that HUD will only approve an exception payment standard amount after six months from the date of HUD approval of an exception payment standard amount above 110 percent to 120 percent of the published fair market rent (FMR). Section 982.503(c)(5) states that the total population of a HUD-approved exception area in an FMR area may not include more than 50 percent of the population of the FMR area.

**Granted By:** Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing.

**Date Granted:** November 26, 2013.

**Reason Waived:** These waivers were granted because on June 6, 2012, due a shock to the rental housing market in the Bismarck, ND, the fair market rent (FMR) area caused by increased economic activity due to natural resource exploration. These waivers were allowed to remain in effect since the conditions originally cited still exist.

**Contact:** Laure Rawson, Director, Housing Voucher Management and Operations Division, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 7th St. SW, Room 4216, Washington, DC 20410, telephone (202) 708-0477.

- **Regulation:** 24 CFR 982.505(d).

**Project/Activity:** Howard County Housing Commission (HCHC), Columbia, MD.

**Nature of Requirement:** Section 982.505(d) of HUD's regulations states that a public housing agency may only approve a higher payment standard for a family as a reasonable accommodation if the higher payment standard is within the basic range of 90 to 110 percent of the fair market rent (FMR) for the unit size.

**Granted By:** Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing.

**Date Granted:** December 11, 2013.

**Reason Waived:** The participant, who is a person with disabilities, required an exception payment standard to move to a two-bedroom unit (although only eligible for a one-bedroom voucher) that met her needs. To provide this reasonable accommodation so that the client could move to a new unit and pay no more than 40 percent of its adjusted income toward

the family share, the HCHC was allowed to approve an exception payment standard that exceeded the basic range of 90 to 110 percent of the FMR.

**Contact:** Laure Rawson, Director, Housing Voucher Management and Operations Division, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 7th Street, SW, Room 4216, Washington, DC 20410, telephone (202) 708-0477.

- **Regulation:** 24 CFR 982.505(d).

**Project/Activity:** Housing Authority of Grays Harbor County (HAGHC), Aberdeen, WA.

**Nature of Requirement:** Section 982.505(d) states that a public housing agency may only approve a higher payment standard for a family as a reasonable accommodation if the higher payment standard is within the basic range of 90 to 110 percent of the fair market rent (FMR) for the unit size.

**Granted By:** Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing.

**Date Granted:** November 4, 2013.

**Reason Waived:** The participant, who is a person with disabilities, required an exception payment standard to move to a unit that met her needs. To provide this reasonable accommodation so that the client could move to a new unit and pay no more than 40 percent of her adjusted income toward the family share, the HAGHC was allowed to approve an exception payment standard that exceeded the basic range of 90 to 110 percent of the FMR.

**Contact:** Laure Rawson, Director, Housing Voucher Management and Operations Division, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing,

Department of Housing and Urban Development, 451 7th Street, SW, Room 4216, Washington, DC 20410, telephone (202) 708-0477.

- **Regulation:** 24 CFR 983.259(a).

**Project/Activity:** Michigan State Housing Development Authority (MSHDA), Lansing, MI.

**Nature of Requirement:** This regulation states that in the project-based voucher (PBV) program, the PHA's subsidy standards determine the appropriate unit size for the family size and composition. If the PHA determines that a family is occupying a wrong-size unit, the PHA must promptly notify the family and owner of this determination and of the PHA's offer of continued assistance in another unit which could include PBV assistance in an appropriate-size unit in the same or other building, other project-based assistance, tenant-based rental assistance, or other comparable public or private tenant-based assistance.

**Granted By:** Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing.

**Date Granted:** December 6, 2013.

**Reason Waived:** This regulation was waived in order to protect families (many elderly and/or disabled) living in PBV units that would be affected by MSHDA's change in subsidy standards by requiring them to move. If and when these families move from their current PBV units, the new subsidy standards would apply.

**Contact:** Laure Rawson, Director, Housing Voucher Management and Operations Division, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 7th Street, SW, Room 4210, Washington, DC 20410, telephone (202) 708-0477.

- **Regulation:** 24 CFR 984.303(d).

**Project/Activity:** Vacaville Housing Authority (VHA), Vacaville, CA.

**Nature of Requirement:** This regulation limits extensions of Family Self-Sufficiency (FSS) contracts by a public housing agency to two years beyond the initial five-year term of the FSS contract.

**Granted By:** Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing.

**Date Granted:** December 19, 2013.

**Reason Waived:** The failure to complete the contract within the contract term was due to an injury at work and the elimination of the FSS participant's job position. Therefore, additional time was approved for the completion of the FSS contract.

**Contact:** Laure Rawson, Director, Housing Voucher Management and Operations Division, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 7th Street, SW, Room 4210, Washington, DC 20410, telephone (202) 708-0477.

- **Regulation:** 24 CFR 984.303(b)(1).

**Project/Activity:** Housing Opportunities Commission of Montgomery County (HOC), Kensington, MD.

**Nature of Requirement:** This regulation states that the Family Self-Sufficiency (FSS) contract of participation shall be in the form prescribed by HUD. The form prescribed by HUD (form HUD-52650) requires the effective date to be the first day of the month following the date the contract was signed by the family and the PHA's representative.

**Granted By:** Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing.

**Date Granted:** November 21, 2013.

**Reason Waived:** The FSS participant's contract was lost due to no fault of her own and the contract would have had an effective date of March 1, 2013. Therefore, the contract was allowed to have an effective date of March 1, 2013.

**Contact:** Laure Rawson, Director, Housing Voucher Management and Operations Division, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 4210, Washington, DC 20410, telephone (202) 708-0477.

- **Regulation:** 24 CFR 985.101(a).

**Project/Activity:** City of Crescent City Housing Authority (CCCHA), Crescent City, CA.

**Nature of Requirement:** Section 985.101(a) states a PHA must submit the HUD-required Section Eight Management Assessment Program (SEMAP) certification form within 60 calendar days after the end of its fiscal year.

**Granted By:** Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing.

**Date Granted:** November 4, 2013.

**Reason Waived:** This waiver was granted since the Executive Director was on maternity leave and no one else had rights in the Public and Indian Housing Information Center to submit the SEMAP certification. CCCHA was permitted to submit its SEMAP certification after the due date.

**Contact:** Laure Rawson, Director, Housing Voucher Management and Operations Division, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 7th Street, SW, Room 4210, Washington, DC 20410, telephone (202) 708-0477.

- **Regulation:** 24 CFR 985.101(a).

**Project/Activity:** Spartanburg Housing Authority (SHA), Spartanburg, SC.

**Nature of Requirement:** Section 985.101(a) states a PHA must submit the HUD-required Section Eight Management Assessment Program (SEMAP) certification form within 60 calendar days after the end of its fiscal year.

**Granted By:** Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing.

**Date Granted:** December 23, 2013.

**Reason Waived:** This waiver was granted since the Section 8 Program Manager attempted to submit the SEMAP certification on November 25, 2013, but the program timed out. Subsequently, her husband became very ill and she was unable to complete the task; in addition, she did not make anyone in the office aware of her failure to submit. SHA was permitted to submit its SEMAP certification after the due date.

**Contact:** Laure Rawson, Director, Housing Voucher Management and Operations Division, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 7th Street, SW, Room 4210, Washington, DC 20410, telephone (202) 708-0477.

- **Regulation:** FR-5729-N-01: Partial Section Eight Management Assessment Program (SEMAP) Indicator Waiver; Family Self-Sufficiency (FSS) Program Demonstration.

**Project/Activity:** The waiver, Partial Section Eight Management Assessment Program (SEMAP) Indicator Waiver; Family Self-Sufficiency (FSS) Program Demonstration, published on December 30, 2013, at 78 FR 79310, was issued to establish a temporary modification to the rating of enrollment and escrow accounts for public housing agencies (PHAs) with mandatory Housing Choice Voucher (HCV) Family Self-Sufficiency (FSS) programs that voluntarily participate in HUD's study of the FSS program to facilitate the participation of PHAs in the study. The PHAs participating in the study have the option to comply with certain alternative requirements to existing regulations, and if they opted to do so the existing regulations would be waived.

**Nature of Requirement:** The modification to the requirements that were offered under the waiver were the following: The waiver allows the rating of SEMAP indicator, "Family self-sufficiency (FSS) enrollment and escrow accounts", to be calculated solely by the percentage of mandatory FSS slots that have been filled for participating PHAs during the second and third full reporting periods ending after the PHA's enrollment in the study, which would be a waiver of the requirement to calculate the rating using also the percent of FSS families with escrow balances in 24 CFR 985.3(o). The waiver would allow PHAs participating in the study to elect to have the SEMAP performance indicator for FSS enrollment and escrow accounts rated in this manner by refraining from submitting data for SEMAP indicator item 14b of form HUD-52648, which is a partial waiver of the requirement that all PHAs administering a Section 8 tenant-based assistance program are required annually to submit a SEMAP Certification form concerning performance under the fourteen SEMAP indicators in 24 CFR 985.101.

**Granted By:** Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing.

**Date Granted:** December 30, 2013.

**Reason Waived:** The waivers and alternative requirements were granted because they would help facilitate the participation of PHAs in a study to determine whether FSS program features, rather than the characteristics of the participating families, cause participant incomes to increase. PHAs participating in the study may experience unintended consequences including a decreased rating on the Section 8 Management Assessment Program (SEMAP) performance indicator that specifically measures for the percentage of families with escrow balances, and the waiver eliminates this concern.

**Contact:** Regina Gray, PhD, Office of Policy Development and Research, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 7th Street, SW, Room 8132, Washington, DC 20410, telephone number (202) 402-2876.