



This document is scheduled to be published in the Federal Register on 09/03/2014 and available online at <http://federalregister.gov/a/2014-20964>, and on [FDsys.gov](http://FDsys.gov) Billing Code 4210-67

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5789-N-02]

### Notice of Regulatory Waiver Requests Granted for the Second Quarter of Calendar Year 2014

**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 April 1, 2014, and ending on June 30, 2014.

**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 Seventh 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 second quarter of calendar year 2014.

**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 April 1, 2014 through June 30, 2014. 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 second quarter of calendar year 2014) before the next report is published (the third quarter of calendar year 2014), HUD will include any additional waivers granted for the second 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: August 27, 2014.

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Helen R. Kanovsky,  
General Counsel.

## APPENDIX

### **Listing of Waivers of Regulatory Requirements Granted by Offices of the Department of Housing and Urban Development April 1, 2014 through June 30, 2014**

**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 51.104(b)(2).

**Project/Activity:** The Director of the Boston Multifamily Hub requested a waiver of 24 CFR 51.104(b)(2) in order to facilitate the proposed infill development of Metro Village Apartments, a 150 unit facility adjacent to the Takoma Park Metro station using the HUD Section 221(d)(4) mortgage insurance program.

**Nature of Requirement:** HUD's regulation at 24 CFR 51.104(b)(2) requires an environmental impact statement for projects in unacceptable noise zones. The environmental impact statement may be waived in cases where noise is the only environmental issue and no outdoor noise sensitive activity will take place on the site. In such cases, an environmental review shall be made pursuant to the requirements of 24 CFR part 51.

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

**Date Granted:** April 17, 2014.

**Reason Waived:** It was determined that the project would further the HUD mission and advance HUD program goals to develop viable, sustainable communities and affordable housing. It was further determined that the construction of the units would adequately protect the interiors, and no outdoor, noise-sensitive uses will occur in the exposed space. Based on the environmental assessments, no adverse environmental impact will result from this development in an unacceptable noise zone.

**Contact:** James M. Potter, Office of Environment and Energy, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street SW, Room 7250, Washington, DC 20410, telephone (202) 402-4610.

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

**Project/Activity:** The City of Lorain, Ohio, requested a waiver of its June 30, 2014 deadline for the expenditure of HOME funds to enable it to meet an immediate need for housing rehabilitation, which would otherwise go unmet due to voluntary grant reductions taken in lieu of repayment to rectify past noncompliance.

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

**Granted By:** Cliff Taffet, Acting Assistant Secretary for Community Planning and Development.

**Date Granted:** June 28, 2014.

**Reasons Waived:** The City administers an ongoing rehabilitation program for owner-occupants and has more than 40 applicants on a waiting list. In 2013, HUD approved the City's request to reduce its fiscal year 2013, 2014 and 2015 HOME grants by \$709,518.49 in lieu of repayment for ineligible expenditures. These involuntary grant reductions have left the City without significant current and future grant funds to meet the immediate housing needs of the applicants on the waiting list. The waiver was granted because deobligation of an additional \$365,100 of HOME funds would create an undue hardship for City residents currently on the waiting list for the City's HOME-funded rehabilitation program.

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

- **Regulation:** 24 CFR 570.489(a).

**Project/Activity:** The State of Georgia requested a waiver of 24 CFR 570.489(a) in order to allow it to use program income from prior years to increase the amount allowed for administrative costs under the State CDBG regulation's accounting method.

**Nature of Requirement:** HUD's regulation at 24 CFR 570.489(a) specifies the amount of CDBG funds that can be used to pay state administrative expenses and its approach for demonstrating compliance with the requirements. HUD's regulation at 24 CFR 570.489(a)(1)(v)(A) requires states to expend no more than the aggregate maximum allowable amount on administrative expenses (for each annual grant within the subject period) during its 3- to 5- year Consolidated Planning period.

**Granted By:** Clifford Taffet, Acting Assistant Secretary for Community Planning and Development.

**Date Granted:** May 21, 2014.

**Reason Waived:** HUD determined that adequate administrative funds are central to a State's capacity to administer the CDBG program. The State of Georgia was found to be in need of this one-time use of unused administrative funds from program income from its current year back to 1992 in order to adequately administer its CDBG program this program year.

**Contact:** James Höemann, Acting Deputy Director, State and Small Cities Division, Office of Block Grant Assistance, Office of Community Planning Development, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 7184, Washington, DC 20410, telephone (202) 402-5716.

- **Regulation:** 24 CFR 574.330(a)(1).

**Project/Activity:** The City of Atlanta, GA requested a waiver of 24 CFR 574.330(a)(1) to allow a client to stay in an extended-stay motel beyond the 60-day time limit outlined in the regulations.

**Nature of Requirement:** The Housing Opportunities for Persons with AIDS (HOPWA) short-term supported housing regulation at 24 CFR 574.330(a)(1) provides that a short-term supported housing facility may not provide residence to any individual for more than 60 days during any six-month period.

**Granted By:** Clifford Taffet, Acting Assistant Secretary for Community Planning and Development.

**Date Granted:** June 30, 2014.

**Reason Waived:** According to the regulations, HUD may waive the 60-day time limit if a project sponsor has made good faith effort in finding permanent housing to its client within the 60-day time period. Good faith effort was found due to the project sponsor's extensive efforts in attempting to secure and locate permanent housing for the client.

**Contact:** William Rudy, Acting Director, Office of HIV/AIDS Housing, Office of Community and Planning Development, Department of Housing and Development, 451 Seventh Street SW, Room 7212, Washington, DC 20410, telephone (202) 708-1934.

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

**Project/Activity:** The State of Iowa requested a waiver of 24 CFR 576.403(c) to allow its subrecipient, Iowa Legal Aid, to provide legal services to program participants without determining whether the program participants' housing meets the ESG habitability standards .

**Nature of Requirement:** HUD's regulation at 24 CFR 576.403(c) states that the recipient or subrecipient cannot use Emergency Solutions Grants (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:** May 1, 2014.

**Reason Waived:** HUD recognized 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.

Therefore, HUD granted a limited, conditional waiver to allow Iowa Legal Aid to provide legal services under the homelessness prevention component to program participants wishing to stay in their units, even if their units do not meet the habitability standards. The waiver also allows ESG funds to be used to provide the same program participants with the case management required by § 576.401(d) and (e), even if their units do not meet the habitability standards. The waiver is contingent upon the recipient's commitment to ensure that Iowa Legal Aid and the subrecipient(s) providing the required case management 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.

**Contact:** Ann M. Oliva, Director, Office of Special Needs Assistance Programs, Office of Community Planning Development, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 7262, Washington, DC 20410, telephone (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.

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

**Project/Activity:** FHA-approved Title I and Title II lenders and mortgagees with a fiscal year end of December 31, 2013, January 31, 2014, February 28, 2014, and March 31, 2014, required to submit financial information to HUD no later than 90 days after the end of the lender or mortgagee's fiscal year, as mandated by 24 CFR 5.801(c)(3)(in relevant part), 202.5(g)(1), and 202.6(c)(2).

**Nature of Requirement:** HUD's regulation at 24 CFR 5.801 (Uniform Financial Reporting Standards) provides that HUD-approved Title I and Title II supervised and nonsupervised lenders and mortgagees submit financial information to HUD on an annual basis in a form and substance prescribed by HUD. Lenders and mortgagees must submit the required financial information to HUD no later than 90 days after the end of the lender or mortgagee's fiscal year. The regulation provides that the time for filing may be extended at the sole discretion of HUD.

HUD's regulation at 24 CFR 202.5(g) (Approval of Lending Institutions and Mortgagees) provides for all FHA-approved lenders and mortgagees to furnish to HUD with a copy of their audited financial statements within 90 days of the lender or mortgagee's fiscal year end, except as provided in 24 CFR 202.6(c), to maintain FHA approval.

HUD's regulation at 24 CFR 202.6(c) delineates an exception from § 202.5(g)(1) for small supervised lenders and mortgagees, which are instead required to submit to HUD the unaudited financial reports required by their respective financial banking agency within 90 days of the small supervised lender or mortgagee's fiscal year end.

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

**Date Granted:** June 26, 2014.

**Reason Waived:** As part of the FHA Transformation Initiative, FHA is implementing a counterparty risk framework that enables a better and timelier means of identifying, mitigating, and managing risk in the approval, recertification, monitoring, enforcement, and post-endorsement technical review processes. An integral part of the Initiative has been the development and deployment of the Lender Electronic Assessment Portal (LEAP), an online portal that houses data record collection and risk and fraud detection activities.

LEAP is being implemented in phases. FHA deployed the latest phase of LEAP, the automation of FHA's annual lender recertification process, on May 27, 2014. This phase, known as LEAP 3.0, includes enhanced financial reporting functionalities based on each lender's specific financial reporting structure, which improves lender usability, as well as FHA's ability to monitor lenders' performance. As of June 26, 2014, users were still having difficulty executing some functions in LEAP 3.0. Accordingly, lenders and mortgagees with a fiscal year

end of December 31, 2013 would have had to submit the required reports on or before March 31, 2014.

Because LEAP 3.0 did not go live until after March 31, 2014, lenders and mortgagees who have a fiscal year end of December 31, 2013 were unable to access the new platform for submission mortgagees have 90 days after the end of their fiscal year to submit their annual financial reports within the designated timeframe for reporting. As a result, a temporary waiver of the subject regulations for FHA lenders and mortgagees with a fiscal year end of December 31, 2013, until 30 days after the deployment of LEAP 3.0, was granted in December 2013, in order to realign the required financial reporting timeframe with the launch of LEAP 3.0.

Additional waivers were later granted for FHA lenders and mortgagees with a fiscal year end of January 31, 2014, and February 28, 2014, until 30 days after the deployment of LEAP 3.0.

Under the waivers, FHA lenders and mortgagees with a fiscal year end of December 31, 2013, January 31, 2014, or February 28, 2014, were required to submit the reports on or before June 30, 2014. Under the subject regulations, FHA lenders and mortgagees with a fiscal year end of March 31, 2014, were required to submit the reports on or before June 30, 2014.

Because technical system issues prevented some lenders from completing their annual recertification package in LEAP 3.0 on or before June 30, 2014, an extension of the temporary waiver of the regulations at 24 CFR 5.801(c)(3)(in relevant part), 202.5(g),(1) and 202.6(c)(2) for FHA lenders and mortgagees with a fiscal year end of December 31, 2013, January 31, 2014, February 28, 2014, and March 31, 2014, from June 30, 2014, until July 15, 2014, or until ten days after the Deputy Assistant Secretary for Single Family Housing has deemed the LEAP 3.0 system to be stable, was granted to allow these lenders and mortgagees the additional time

necessary to fulfill their annual financial reporting and recertification requirements once LEAP 3.0 is operating at its full capacity.

**Contact:** Volky Garcia, Lender Approval and Recertification Division Director, Office of Lender Activities and Program Compliance, Office of Housing, Department of Housing and Urban Development, 490 L'Enfant Plaza East, SW, Room P3214, Washington, DC 20024, telephone (202) 708-1515 (this is not a toll-free number).

- **Regulation:** 24 CFR 200.85(b).

**Project/Activity:** Santa Rita Village, Lompoc, Santa Barbara County, CA. Project Number: 122-11342.

**Nature of Requirement:** HUD's regulation at 24 CFR 200.85, which pertains to covenant against liens, states in paragraph (b) as follows: "A covenant against repayment of a Commissioner approved inferior lien from mortgage proceeds other than surplus cash or residual receipts, except in the case of an inferior created pursuant to Section 223(d) of the Act, or a supplemental loan insured pursuant to Section 241 of the Act."

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

**Date Granted:** June 18, 2014.

**Reason Waived:** The project consists of 36 affordable units in two three-story and four two-story apartment buildings. At the time of the waiver request, the project was 100 percent occupied and each unit had Section 8 project-based vouchers connected to it with the exception of one manager unit. The project would be the recipient of six committed public financing sources each with affordable housing restrictive covenant agreements with nine percent LIHTCs

allocations. The County's promissory note would be fully amortized in 25 years, earlier than the 35 year HUD insured Tax Credit Pilot loan, a risk HUD determined is acceptable given the mitigates. The borrower agreed to comply with the 15-year extension of the HAP contract requirements as part this transaction.

**Contact:** Theodore K. Toon, Director, Office of Multifamily Housing Development, HTD, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 6134, Washington, DC 20410, telephone (202) 402-8386.

• **Regulation:** 24 CFR 200.926d(b)(4)(i).

**Project/Activity:** Whiting Avenue Estates, Stevens Point, Wisconsin Project Number: 075-11205.

**Nature of Requirement:** HUD's regulation at 24 CFR 200.926d(b)(4)(i) states in relevant part as follows: "each property shall be provided with vehicular or pedestrian access or private street. Private streets shall be protected by permanent easement."

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

**Date Granted:** June 18, 2014.

**Reason Waived:** The project is an existing 80 unit apartment in Stevens Point, Wisconsin. Upon review of the closing package it was discovered that the primary access to the site crossed an abandoned railroad crossing for which there was a license agreement was not an easement. Access to the property is currently achieved through a license agreement between Wisconsin Central Limited Railroad Company & Nicolet Lumber Company, as assigned to the project owner/borrower, Stevens Point WA, LLC. The regulations was waived subject to the

following conditions: The lender would certify at closing that the borrower has and would maintain sufficient insurance to enable the borrower to pay an indemnification required under paragraph 13 of the License Agreement out of insurance proceeds and the borrower has and would maintain insurance that meets the requirements of paragraph 14 of the License Agreement. Additionally, the title insurance company would provide the lender with an access endorsement insuring over the railroad's right to terminate the license.

**Contact:** Theodore K. Toon, Director, Office of Multifamily Housing Development, HTD, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 6134, Washington, DC 20410, telephone (202) 402-8386.

- **Regulation:** 24 CFR 200.926d(f)(1)(i) and (f)(2)(i).

**Project/Activity:** Extension of previously granted waiver for the State of Alaska's boroughs of Anchorage, Fairbanks (North Star), Juneau, Kenai Peninsula, Mantanuska-Susitna, North Slope (Barrow), the Bethel Census Area, and the Fairbanks Southeast Census Area.

**Nature of Requirement:** HUD's Minimum Property Standards (MPS) that govern new construction for single-family dwellings provide that to be eligible for FHA insurance, each living unit within newly constructed single-family residential property should be capable of delivering a flow of 5 gallons per minute (gpm) over a 4 hour period in order to provide a continuing and sufficient supply of safe water under adequate pressure and appropriate quality for household use. Under these standards, water holding tanks, cisterns and similar alternative water supply systems are not considered as acceptable water supply systems under FHA requirements.

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

**Date Granted:** May 21, 2014.

**Reason Waived:** Waiver of these standards was previously provided because in certain boroughs/census areas in the State of Alaska conventional water supply systems, such as those required under FHA's MPS, are not feasible due to the unique geographical characteristics of the area. State and local building codes in Alaska provide requirements for such alternative water supply systems that address health and safety concern, and FHA found these requirements to be adequate and not violate any statutory requirements.

It was determined that granting of the waiver is in the public's interest and consistent with HUD's objectives to expand the availability of FHA mortgage insurance, while providing appropriate safeguards under local and state codes to protect the health and safety of potential occupants. The waiver enables lenders to provide FHA financing to homebuyers for new construction single-family housing, in the designated boroughs, where it is not feasible to procure water from conventional water supply systems.

**Contact:** PUD Contact, Bill Schuler, Chief, Technical Branch 1, Santa Ana Homeownership Center, Department of Housing and Urban Development, 34 Civic Center Plaza, Santa Ana, CA. 92701, telephone number (714) 796-1200, extension 3449.

• **Regulation:** 24 CFR 200.926d(f)(1)(i) and 24 CFR 200.926d(f)(2)(i).

**Project/Activity:** Homebuyers of new construction single family homes located within Boroughs of Juneau, Mantanuska-Susitna, Anchorage, Bethel, North Slope (Barrow), Fairbanks

(North Star and Southeast), and the Kenai Peninsula of the State of Alaska requested a waiver to allow Alternative Water Supply Systems due to geologic limitations on individual water wells.

**Nature of Requirement:** HUD's regulations at 24 CFR 200.926d(f)(1)(i) and (f)(2)(i) govern new construction of single-family dwellings and provide that to be eligible for FHA insurance, each living unit within newly constructed single-family residential property should be capable of delivering a flow of five gallons per minute over a four-hour period in order to provide a continuing and sufficient supply of safe water under adequate pressure and appropriate quality for household use.

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

**Date Granted:** May 21, 2014.

**Reason Waived:** Conventional water supply systems, such as those required under FHA's Minimum Property Standards (MPS) are not feasible as water sources due to the unique geographical characteristics in those counties of Alaska. The waiver allows the properties to use hauled water, cisterns, and other alternative water supply systems in those areas where there is no acceptable permanent water supply available. Without the waiver of these MPS regulations, low- to moderate-income homebuyers in certain parts of the State of Alaska would be precluded from using FHA-insured financing.

**Contact:** Robert L. Frazier, Office of Single Family Housing, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 9274, Washington, DC 20410, telephone (202) 402-5752.

- **Regulation:** 24 CFR 203.43f(c)(i) and 24 CFR 203.43f(d)(ii).

**Project/Activity:** Manufactured homes with or without basements and located in Federal Emergency Management Agency (FEMA)-designated Special Flood Hazard Area (SFHA) in the State of Louisiana.

**Nature of Requirement:** HUD's regulations regarding Title II manufactured homes located in FEMA designated SHFAs found at 24 CFR 203.43f(c)(i) and 24 CFR 203f(d)(ii) require that "The finished grade level beneath the manufactured home shall be at or above the 100-year return frequency flood elevation." However, this requirement at 24 CFR 203.43f differs from HUD's regulations governing minimum property standards for one- and two-family dwellings found at 24 CFR 200.926 and the requirements of the National Flood Insurance Program (NFIP) found at 44 CFR 60.3. The minimum property standard (MPS) at 24 CFR 200.926d(c)(4)(i) provides that the elevation of the lowest floor in residential structures with basements, located in FEMA-designated areas of special flood hazard, shall be at or above the base flood level (100 year flood level) required for new construction or substantial improvement of residential structures under regulations at 44 CFR 60.3 through 60.6. HUD's regulation at 24 CFR 200.926d(c)(4)(ii) states that the elevation of the lowest floor of residential structures with basements, located in a FEMA-designated area of special flood hazards, must be at or above the FEMA-designated base flood elevation (100 year flood level).

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

**Date Granted:** June 4, 2014.

**Reason Waived:** As a result of the conflict between 24 CFR 203.43f, which is based on flood elevation requirements measured from the "finished grade beneath the manufacture home" and flood elevation requirements measured from the "lowest floor" of the manufactured

home provided in 24 CFR 200.926d(c)(4)(i) and (ii), and 44 CFR 60.3(c)(6)(iv) and (c)(12), some lenders are refusing FHA-insured loans on manufactured homes that are being sited in flood zone areas on the grounds that FHA could deny insurance. Therefore, the regulations in the third sentence of 24 CFR 203.43f(c)(i) and the last sentence in 24 CFR 203.43f(d)(ii) were waived to permit the placement of FHA mortgage insurance on manufactured home, sited in the State of Louisiana, in flood designated areas, with the lowest floor at or above the 100 year return frequency, and otherwise conforming with HUD requirements for Title II, Section 203(b) insured financing of manufactured homes.

**Contact:** Robert L. Frazier, Office of Single Family Housing, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 9274, Washington, DC 20410, telephone (202) 402-5752.

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

**Project/Activity:** Conchituate Homes Cooperative, FHA Project Number 023-44109, Framingham, Massachusetts. 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. The owner's proposal includes funding improvements such as replacement of roofs, heating, hot water systems, repairing building exteriors, drives and walkways and provision of some handicapped accessible units.

**Nature of Requirement:** HUD's regulation at 24 CFR 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:** April 10, 2014.

**Reason Waived:** Good cause was shown that it is in the public’s best interest to grant this waiver. The requirement to defer repayment of the Flexible Subsidy Operating Assistance Loan would allow this much needed housing to be substantially rehabilitated. The project would also be preserved as affordable housing 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 Seventh Street, SW, Room 6160, Washington, DC 20410, telephone (202) 708-3730.

● **Regulation:** 24 CFR 232.7.

**Project/Activity:** Open Arms Retirement Center (Open Arms) is an 83-bed assisted living and dementia care facility. The facility is comprised of three wings. The facility does not meet the requirements of 24 CFR 232.7 “Bathroom” of FHA’s regulations. The project is located in Raeford, NC.

**Nature of Requirement:** HUD’s regulation at 24 CFR 232.7 mandates in a board and care home or assisted living facility that 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:** April 11, 2014.

**Reason Waived:** The lender provided evidence that 94 percent of the residents of the facility require assistance and/or supervision with bathing.

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

- **Regulation:** 24 CFR 232.7.

**Project/Activity:** Open Arms Retirement Center (Open Arms) is an 83-bed assisted living and dementia care facility. The facility is comprised of three wings. The facility does not meet the requirements of 24 CFR §232.7 “Bathroom” of FHA’s regulations. The project is located in Raeford, NC.

**Nature of Requirement:** HUD’s regulation at 24 CFR 232.7 mandates in a board and care home or assisted living facility that 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:** April 11, 2014.

**Reason Waived:** The lender provided evidence that 94 percent of the residents of the facility require assistance and/or supervision with bathing.

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

- **Regulation:** 24 CFR 232.7.

**Project/Activity:** Presbyterian Home and Retirement Community (Presbyterian) is a Skilled Nursing Facility with 180 beds that has a wing with 16 assisted living residents. The assisted living wing does not meet the requirements of 24 CFR 232.7 “Bathroom”.

**Nature of Requirement:** HUD’s regulation at 24 CFR 232.7 mandates in a board and care home or assisted living facility that 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:** May 28, 2014.

**Reason Waived:** Most of the assisted living wing residents are high acuity and need assistance with bathing. Presbyterian concluded that this arrangement is safer for the residents.

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

- **Regulation:** 24 CFR 232.7.

**Project/Activity:** Presbyterian Home and Retirement Community (Presbyterian) is a Skilled Nursing Facility with 180 beds that has a wing with 16 assisted living residents. The assisted living wing does not meet the requirements of 24 CFR 232.7 “Bathroom”.

**Nature of Requirement:** HUD’s regulation at 24 CFR 232.7 mandates in a board and care home or assisted living facility that 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:** May 28, 2014.

**Reason Waived:** Most of the assisted living wing residents are high acuity and need assistance with bathing. Presbyterian concluded that this arrangement is safer for the residents.

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

● **Regulation:** 24 CFR 266.410(e).

**Project/Activity:** California Housing Finance Agency (CalHFA) Project Number: N/A.

**Nature of Requirement:** HUD’s regulation at 24 CFR 266.410(e) requires that mortgages insured under the Section 542(c) Risk Sharing program be regularly amortizing over the term of the mortgage. CalHFA requested on a “pilot” basis, to finance 35 year mortgages with maturities between 17 to 25 years.

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

**Date Granted:** May 27, 2014.

**Reason Waived:** HUD approved a similar, though much more limited, waiver for CalHFA in 2012, primarily to align the Risk Sharing program with the New Issue Bond Program. The waiver in 2014 was granted subject certain conditions which are: the waiver would be effective from July 1, 2014, and continuing until June 30, 2016, and would be limited to a total of 40 transactions; CalHFA must elect to take 50 percent or more of the risk of loss on all transactions, and loans made under the waiver may have amortization periods of up to 35 years, but terms as short as 17 years; projects must comply with Davis-Bacon labor standards in accordance with 24 CFR 266.225; and CalHFA must comply with regulations in 24 CFR 266.210 for insured advances or insurance upon completion transactions, and other conditions as stated in 2012 waiver.

**Contact:** Theodore K. Toon, Director, Office of Multifamily Housing Development, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 6134, Washington, DC 20410, telephone (202) 402-8386.

• **Regulation:** 24 CFR 891.100(d).

**Project/Activity:** Breakthrough Phase III, Knoxville, TN, Project Number: 087-HD054/TN37-Q101-001

**Nature of Requirement:** HUD's regulation at 24 CFR 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:** May 29, 2014.

**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 Seventh Street, SW, Room 6134, Washington, DC 20410, telephone number (202) 708-3000.

- **Regulation:** 24 CFR 891.165.

**Project/Activity:** Nativity B.V.M. Place, Philadelphia, PA, Project Number: 034-EE167/PA26-S091-005.

**Nature of Requirement:** HUD's regulation at 24 CFR 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:** April 17, 2014.

**Reason Waived:** Additional time was needed for the Sponsor/Owner to obtain a decision from the Pennsylvania Supreme Court involving a zoning appeal filed by a neighbor and for the project to achieve an initial closing.

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

- **Notice of Funding Availability (NOFA):** Fiscal Year (FY) 2012 Section 811 Project Rental Assistance Demonstration Program (Docket No. FR-5600-N-28-A1).

**Project/Activity:** Amendment of the FY 2012 Section 811 Project Rental Assistance Demonstration Program NOFA dated May 15, 2012.

**Nature of Requirement:** The administrative costs provision in the FY 2012 NOFA (as corrected in a technical correction posted on July 2, 2012) allows a rate of no more than five (5) percent of the amount awarded based upon the range of tasks undertaken by the eligible applicant.

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

**Date Granted:** April 22, 2014.

**Reason Waived:** The amendment responds to significant concerns raised by the grantees regarding the scope of work required for them to administer this program and stated the amount of work necessary to implement the program exceeded the 5 percent included in the NOFA. They advised that they would need to use a significant amount of agency resources to set up and manage this new program due specifically to the coordination with their state Medicaid/Health and Human Services agencies, marketing the program to property owners, utilizing Tenant Rental Assistance Certification System (TRACS) and Enterprise Income Verification (EIV), and initial and ongoing monitoring and compliance. Given the extensive requirements of the program, HUD approved additional funding for administrative costs up to 8 percent of the amount awarded.

**Contact:** Catherine M. Brennan, Director, Office of Housing Assistance and Grant Administration, Office of Housing, Department of Housing and Urban Development, 451 Seventh 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 5.801(d)(1).

**Project/Activity:** Village of Hempstead Housing Authority (NY085) Hempstead, NY

**Nature of Requirement:** HUD's regulation at 24 CFR 5.801(d)(1) establishes certain reporting compliance dates. The audited financial statements are required to be submitted to the Real Estate Assessment Center (REAC) no later than nine months after the housing authority's (HA) fiscal year end (FYE), in accordance with the Single Audit Act and OMB Circular A-133.

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

**Date Granted:** June 17, 2014.

**Reason Waived:** The Housing Authority is requesting an extension of the due date because the Office of the Inspector General (OIG), while conducting a multiple year audit, maintained possession of the HA's records. The HA contends that the OIG has not returned any of the files to the HA and this prevented the contracted independent public auditor (IPA) from commencing his audit work in a timely manner.

**Contact:** Judy Wojciechowski, Program Manager, NASS, Real Estate Assessment Center, Office of Public and Indian Housing, Department of Housing and Urban Development, 550 12<sup>th</sup> Street, SW, Suite 100, Washington, DC 20410, telephone (202) 475-7907.

- **Regulation:** 24 CFR 5.801(d)(1).

**Project/Activity:** Housing and Community Services Agency of Lane County (OR006), Eugene, OR.

**Nature of Requirement:** HUD's regulation at 24 CFR 5.801(d)(1) establishes certain reporting compliance dates. The audited financial statements are required to be submitted to the Real Estate Assessment Center (REAC) no later than nine months after the housing authority's (HA) fiscal year end (FYE), in accordance with the Single Audit Act and OMB Circular A-133.

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

**Date Granted:** June 16, 2014.

**Reason Waived:** The HA is requesting a waiver of their FY 2013 audit submission deadline. The HA is requesting a two month extension from 6/30/2014 to 8/31/2014 so the IPA firm can complete State required courses. The HA originally retained an auditor for their FYE 9/30/2013 audit. However, the auditor withdrew from the audit engagement in November 2013 as a result of health issues. The termination of the audit engagement left the HA without an auditor for FY 2013.

**Contact:** Judy Wojciechowski, Program Manager, NASS, Real Estate Assessment Center, Office of Public and Indian Housing, Department of Housing and Urban Development, 550 12<sup>th</sup> Street, SW, Suite 100, Washington, DC 20410, telephone (202) 475-7907.

- **Regulation:** 24 CFR 5.801(d)(1).

**Project/Activity:** The City of Mesa Housing Authority (AZ005), Mesa, AZ.

**Nature of Requirement:** HUD's regulation at 24 CFR 5.801(d)(1) establishes certain reporting compliance dates. The audited financial statements are required to be submitted to the Real Estate Assessment Center (REAC) no later than nine months after the housing authority's (HA) fiscal year end (FYE), in accordance with the Single Audit Act and OMB Circular A-133.

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

**Date Granted:** May 13, 2014.

**Reason Waived:** The Housing Authority (HA) contends that the City of Mesa's implementation of a new Emergency Repair Program (ERP) Integrated Information System during 2013 and a staff turnover caused a delay in the preparation of the 2013 Comprehensive Annual Financial Report (CAFR). As a result, the audit has been delayed.

**Contact:** Judy Wojciechowski, Program Manager, NASS, Real Estate Assessment Center, Office of Public and Indian Housing, Department of Housing and Urban Development, 550 12<sup>th</sup> Street, SW, Suite 100, Washington, DC 20410, telephone (202) 475-7907.

- **Regulation:** 24 CFR 982.312(a).

**Project/Activity:** New York City Department of Housing Preservation and Development (NYCDHPD), New York City, NY.

**Nature of Requirement:** HUD's regulation at 24 CFR 982.312(a) provides that a family may not be absent from its unit for a period of more than 180 consecutive calendar days in any circumstance or for any reason.

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

**Date Granted:** June 26, 2014.

**Reason Waived:** This regulation was waived since the affected individual was out of the unit due to a severe stroke.

**Contact:** Becky Primeaux, 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 4216, Washington, DC 20410, telephone (202) 708-0477.

- **Regulation:** 24 CFR 982.503(c)(3)(i).

**Project/Activity:** New York State Homes and Community Renewal (NYSHCR), Albany, NY.

**Nature of Requirement:** HUD's regulation at 24 CFR 982.503(c)(3)(i) provides that HUD Headquarters may approve exception payment standards above 120 percent of the fair market rent (FMR) under certain circumstances, including if such approval is necessary to prevent financial hardship for families, can be supported by statistically representative rental housing survey data and a program justification.

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

**Date Granted:** June 16, 2014.

**Reason Waived:** This regulation was waived to establish exception payment standards that would expand housing opportunities for current and future voucher participants in Westchester County and to ensure that the gains and successes that have been accomplished under the Enhanced Section 8 Outreach Program are able to continue.

**Contact:** Becky Primeaux, 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 4216,  
Washington, DC 20410, telephone (202) 708-0477.

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

**Project/Activity:** State of Colorado Division of Housing (SCDH), Denver, CO.

**Nature of Requirement:** HUD's regulation at 24 CFR 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:** April 8, 2014.

**Reason Waived:** The disabled participant required an exception payment standard to remain in the same unit and afford her share of the rent. To provide this reasonable accommodation so the client could remain in her unit and pay no more than 40 percent of her adjusted income toward the family share, the SCDH was allowed to approve an exception payment standard that exceeded the basic range of 90 to 110 percent of the FMR.

**Contact:** Becky Primeaux, 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 4216, Washington, DC 20410, telephone (202) 708-0477.

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

**Project/Activity:** New York State Homes and Community Renewal (NYSHCR), New York City, NY.

**Nature of Requirement:** HUD's regulation at 24 CFR 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:** April 9, 2014.

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

**Contact:** Becky Primeaux, 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 4216, Washington, DC 20410, telephone (202) 708-0477.

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

**Project/Activity:** Anaheim Housing Authority (AHA), Anaheim, CA.

**Nature of Requirement:** HUD's regulation at 24 CFR 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:** April 25, 2014.

**Reason Waived:** The participant, who is disabled, required an exception payment standard to continue his pad rental for his manufactured home and afford his share of the rent. To provide this reasonable accommodation so the client could be assisted in his current unit and pay no more than 40 percent of his adjusted income toward the family share, the NOHA was allowed to approve an exception payment standard that exceeded the basic range of 90 to 110 percent of the FMR

**Contact:** Becky Primeaux, 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 982.505(d).

**Project/Activity:** Housing Authority of DeKalb County (HADC), Decatur, GA.

**Nature of Requirement:** HUD's regulation at 24 CFR 982.505(d) states that a public housing agency may only approve a higher payment standard for a family as a 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:** May 5, 2014.

**Reason Waived:** The participant, with a 10-member family, was unable to locate housing pursuant to a Rental Assistance Demonstration (RAD) program conversion. In order to avoid displacement for this family, the family required an exception payment standard. To provide this accommodation to a non-disabled family displaced by a RAD conversion, the HACD was allowed to approve an exception payment standard that exceeded the basic range of 90 to 110 percent of the FMR

**Contact:** Becky Primeaux, 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 982.505(d).

**Project/Activity:** Northwest Oregon Housing Authority (NOHA), Warrenton, OR.

**Nature of Requirement:** HUD's regulation at 24 CFR 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:** May 5, 2014.

**Reason Waived:** The participant, who is disabled, required an exception payment standard to continue to remain in her manufactured home and afford her share of the rent. To provide this reasonable accommodation so the client could be assisted in his current unit and pay no more than 40 percent of his adjusted income toward the family share, the AHA was allowed

to approve an exception payment standard that exceeded the basic range of 90 to 110 percent of the FMR

**Contact:** Becky Primeaux, 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 982.505(d).

**Project/Activity:** New York State Homes and Community Renewal (NYSHCR), New York City, NY.

**Nature of Requirement:** HUD's regulation at 24 CFR 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:** May 8, 2014.

**Reason Waived:** Two participants, who are disabled, required an exception payment standard to continue to remain in their units and afford their share of the rent. To provide this reasonable accommodation so the clients could be assisted in their current units and pay no more than 40 percent of their adjusted income toward the family share, the NYSHCR was allowed to approve an exception payment standard for both participants that exceeded the basic range of 90 to 110 percent of the FMR

**Contact:** Becky Primeaux, 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 982.505(d).

**Project/Activity:** Revere Housing Authority (RHA), Revere, MA.

**Nature of Requirement:** HUD's regulation at 24 CFR 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:** May 12, 2014.

**Reason Waived:** The participant, who is disabled, required an exception payment standard to continue to remain in her unit and afford her share of the rent. To provide this reasonable accommodation so the client could be assisted in her current unit and pay no more than 40 percent of her adjusted income toward the family share, the RHA was allowed to approve an exception payment standard that exceeded the basic range of 90 to 110 percent of the FMR

**Contact:** Becky Primeaux, 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 982.505(d).

**Project/Activity:** Town of Eastchester (TE), Eastchester, NY.

**Nature of Requirement:** HUD's regulation at 24 CFR 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:** June 18, 2014.

**Reason Waived:** This participant, who is disabled, required an exception payment standard to continue to remain in her unit and afford her share of the rent. To provide this reasonable accommodation so the client could be assisted in her current unit and pay no more than 40 percent of her adjusted income toward the family share, the TE was allowed to approve an exception payment standard that exceeded the basic range of 90 to 110 percent of the FMR

**Contact:** Becky Primeaux, 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 982.505(d).

**Project/Activity:** White Plains Housing Authority (WPHA), White Plains, NY.

**Nature of Requirement:** HUD's regulation at 24 CFR 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:** June 26, 2014.

**Reason Waived:** Three participants, who are disabled, required exception payment standards to continue to remain in their units and afford their share of the rent. To provide this reasonable accommodation so that each client could be assisted in its current unit and pay no more than 40 percent of their adjusted income toward the family share, the WPHA was allowed to approve three exception payment standards that exceeded the basic range of 90 to 110 percent of the FMR

**Contact:** Becky Primeaux, 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 983.51(b)(2).

**Project/Activity:** Housing Authority of Maricopa County (HAMC), Peoria, AZ.

**Nature of Requirement:** HUD's regulation at 24 CFR 983.51(b)(2) states that the PHA may select proposals for housing assisted under a federal, state or local government housing assistance, community development, or supportive services program that requires competitive selection of proposals (e.g. HOME and units for which competitively awarded LIHTCs have been provided) where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the

earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance.

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

**Date Granted:** May 12, 2014.

**Reason Waived:** The waiver was granted so that HAMC could select a project that was competitively selected over three years ago to protect the HUD investment of federal tax dollars in a mixed finance project.

**Contact:** Becky Primeaux, 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 4216, Washington, DC 20410, telephone (202) 708-0477.

- **Regulation:** 24 CFR 983.59(b)(1).

**Project/Activity:** Housing Authority of the City of Loveland (HACL), Loveland, CO.

**Nature of Requirement:** HUD's regulation at 24 CFR 983.59(b)(1) states that the rent to owner for public housing agency (PHA) owned units is determined according to the same requirements as for other project-based voucher (PBV) units, except that the independent entity approved by HUD must establish the initial contract rents based on an appraisal by a licensed, state-certified appraiser.

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

**Date Granted:** May 15, 2014.

**Reason Waived:** The proposed rule (*The Housing and Economic Recovery Act of 2008 (HERA): Changes to the Section 8 Tenant-Based Voucher and Section 8 Project-Based Voucher*

*Programs*) published in the Federal Register on May 15, 2012, proposed to eliminate the requirement for an appraisal by a licensed state-certified appraiser when establishing initial contract rents. This waiver was approved to provide partial relief from these requirements that the Department has proposed to eliminate.

**Contact:** Becky Primeaux, 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 4216, Washington, DC 20410, telephone (202) 708-0477.

- **Regulation:** 24 CFR 983.59(b)(1).

**Project/Activity:** Housing Authority of Snohomish County (HASC), Everett, WA.

**Nature of Requirement:** HUD's regulation at 24 CFR 983.59(b)(1) states that the rent to owner for public housing agency (PHA) owned units is determined according to the same requirements as for other project-based voucher (PBV) units, except that the independent entity approved by HUD must establish the initial contract rents based on an appraisal by a licensed, state-certified appraiser.

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

**Date Granted:** March 18, 2014.

**Reason Waived:** The proposed rule (*The Housing and Economic Recovery Act of 2008 (HERA): Changes to the Section 8 Tenant-Based Voucher and Section 8 Project-Based Voucher Programs*) published in the Federal Register on May 15, 2012, proposed to eliminate the requirement for an appraisal by a licensed state-certified appraiser when establishing initial

contract rents. This waiver was approved to provide partial relief from these requirements that the Department has proposed to eliminate.

**Contact:** Becky Primeaux, 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 4216, Washington, DC 20410, telephone (202) 708-0477.

[FR Doc. 2014-20964 Filed 09/02/2014 at 8:45 am; Publication Date: 09/03/2014]