Delegations of Authority for the Office of Housing—Federal Housing Administration (FHA); Redelegations of Authority Regarding Multifamily Housing Programs

AGENCY: Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

ACTION: Notice of revocation and redelegation of authority.

SUMMARY: On June 20, 2012, the Assistant Secretary for Housing—Federal Housing Commissioner published comprehensive redelegations of authority for the Office of Multifamily Housing Programs. Today’s notice of redelegations of authority updates and amends the notice that was published on June 20, 2012. This notice reflects changes that have been made to the redelegations of authority regarding multifamily housing programs since the June 2012 Delegations. In general, these changes reflect the Multifamily for Tomorrow (MFT) Transformation, which has: transitioned existing Multifamily Hubs and Program Centers into five (5) Multifamily Regional Centers and seven (7) Multifamily Satellite Offices. In addition, the MFT Transformation reorganized HUD Headquarters offices to expand the Office of Affordable Housing Preservation and rename it as the Office of Recapitalization; rename the Office of Multifamily Development as the Office of Multifamily Production; create a new Office of Field Support and Operations; and expand the Office of Asset Management to incorporate the Office of Housing Assistance and Grants Administration and the Office of Housing Assistance Contract Administration Oversight, and rename the expanded office the Office of Asset Management and Portfolio Oversight.


FOR FURTHER INFORMATION CONTACT: Jeffrey D. Little, Associate Deputy Assistant Secretary for Office of Multifamily Housing Programs, Office of Housing, U.S. Department of Housing and Urban Development, 451 Seventh Street SW, Room 6112, Washington, DC 20410-
SUPPLEMENTARY INFORMATION:

Section I. Multifamily Housing Programs: Office of Housing Organization

A. Office of Multifamily Housing Programs—Headquarters

In general, all Headquarters and field managers and staff of the Office of Multifamily Housing Programs report to the Deputy Assistant Secretary for Multifamily Housing Programs. In Headquarters, there are now four (4) major Multifamily Housing program offices. These offices and a general description of each appear below.

1. Office of Multifamily Production

The Office of Multifamily Production develops and implements policies and guidelines for the loan origination aspects of Federal Housing Administration (FHA) multifamily housing mortgage insurance programs from pre-application to final endorsement of the mortgage note. The Office is responsible for Traditional Application Processing (TAP), Multifamily Accelerated Processing (MAP), and Section 542 Risk-Sharing mortgage insurance policies and procedures. The Office of Multifamily Production staff provides technical guidance to the HUD/FHA multifamily housing field staff, the industry, and other Headquarters offices. The Office is headed by a Director and a Deputy Director.

2. Office of Asset Management and Portfolio Oversight

The Office of Asset Management and Portfolio Oversight (OAMPO), which was formed from the merger of the Office of Asset Management, the Office of Housing Assistance and Grant Administration, and the Office of Housing Assistance Contract Administration Oversight, is primarily responsible for strategic planning, guidance, lender approval, and lender monitoring, and oversight of HUD’s multifamily housing portfolio of project assets after final endorsement
of the mortgage note and upon occupancy. The Office is headed by a Director and a Deputy Director.

a. Asset Management Functions

OAMPO develops policy for, and oversees, field office asset management operations. OAMPO is responsible for oversight of regulated property ownership and management, routine mortgage servicing, default servicing, partial payment of claims, acquisition and/or disposition of loans and properties, lender approval and monitoring, the Flexible Subsidy Program, and management of properties where the Secretary is the owner (as a result of default and foreclosure) or mortgagee-in-possession. OAMPO serves as Multifamily Housing’s liaison with the Real Estate Assessment Center (REAC) and the Departmental Enforcement Center (DEC). In addition, OAMPO oversees field office and lender servicing activities for HUD-assisted and HUD-insured properties. By means of the Property Disposition Division in Fort Worth, OAMPO oversees and implements HUD’s property disposition efforts through the foreclosure sale process, property management, relocation of tenants, and sale of HUD-owned properties. With respect to the disposition of properties under the originating authorities of the Office of Healthcare Programs, the Property Disposition Division will follow policies and procedures as may be established in guidance developed by the Office of Housing describing specific actions between the Office of Healthcare Programs and the Office of Multifamily Housing. The two offices must work together to decide which office is responsible for a particular function associated with such dispositions.

b. Housing Assistance and Grant Administration Functions

Additionally, OAMPO is responsible for directing and overseeing housing assistance programs and housing production and development functions administered by the Office of Multifamily Housing Programs. OAMPO’s programs include post-award implementation of project-based Section 8 housing assistance, Section 202 and Section 811 programs, the Emergency Capital Repair Grants program, Service Coordinators in Multifamily Housing
Programs, the Assisted Living Conversion program, and Congregate Housing Services programs. OAMPO is also involved with other project-based assistance programs, including Rent Supplement, Rental Assistance Payments, Section 236 Rental Assistance Payments, Project Rental Assistance Contracts, and Senior Preservation Rental Assistance Contracts. In addition, the Office provides occupancy policy guidance and supports the Rental Housing Integrity Improvement Initiative and Enterprise Income Verification in connection with HUD efforts to reduce improper payments. With respect to competitive grant programs, OAMPO is solely responsible for Section 811 programs, the Emergency Capital Repair Grants program, Service Coordinators in Multifamily Housing Programs, with the exception of grants under Section 514, the Assisted Living Conversion program, and Congregate Housing Services programs. OAMPO is jointly responsible for competitive grant programs with respect to Section 202 and Section 514 programs, as such activities may be allocated among offices by the Deputy Assistant Secretary.

c. Housing Assistance Contract Administration Oversight Functions

Furthermore, OAMPO is responsible for policies, procedures, guidelines, performance assessment, and technical and general compliance under the terms of the respective Annual Contributions Contracts for Section 8 Contract Administrators (CAs). This Section 8 contract administration oversight ensures that properties continue to meet the Department’s standards for providing decent, safe, and sanitary housing to low-income families. Additionally, OAMPO is responsible for assuring that the Department meets its financial obligations to owners, as specified in the various subsidy contracts, by ensuring availability of subsidy payments and overseeing ongoing funding of project-based assistance contracts.

3. Office of Recapitalization

The Office of Recapitalization was originally established within the Office of Multifamily Housing Programs as the Office of Affordable Housing Preservation (OAHP), which primarily administered the Mark-to-Market Program. OAHP was renamed the Office of Recapitalization (Recap) and expanded as part of the MFT Transformation to process financial
transactions that recapitalize and preserve federally-assisted affordable housing units and thus ensure long-term physical and financial viability. Recap is responsible for developing policies and procedures and providing oversight for the programs administered by Recap. Recap is involved with project-based assistance programs, including converting Public Housing projects to the Section 8 platform via the Rental Assistance Demonstration (RAD), Section 8 Project Based Rental Assistance, Rent Supplement, Rental Assistance Payments, Section 236 Rental Assistance Payments, Project Rental Assistance Contracts, and Senior Preservation Rental Assistance Contracts. Recap is jointly responsible for competitive grant programs with respect to Section 202 and Section 514 programs, as such activities may be allocated among the offices by the Deputy Assistant Secretary. The programs administered by Recap are described in Section II.D, Recapitalization, below. The Office is headed by a Director and a Deputy Director. Other leadership of the Office includes the Director of the Affordable Housing Transaction Division, the Director of the Closing and Post-Closing Division, the Director of the Recapitalization Program Administration Office (Division), and subordinate branch chiefs.

Redelegations of authority to the Director and Deputy Director of the Office of Recapitalization and other Office of Recapitalization officials are set forth in Section IV of this notice.

4. Office of Field Support and Operations

The Office of Field Support and Operations (OFSO) is a new office created from the MFT Transformation. OFSO is responsible for the field management and operations of multifamily programs in the five Regional Centers (Atlanta, Chicago, Fort Worth, New York, and San Francisco), and seven Satellite Offices (collectively “the field”). The office provides oversight and direction at the field level in the execution of Multifamily goals as well as other departmental goals and initiatives.

B. Office of Multifamily Housing Programs—Field Office Structure
The new field office organization now consists of twelve (12) offices, including five (5) Regional Centers and seven (7) Satellite Offices.

The highest-ranking official in a Regional Center is the Regional Director. The immediate deputies of the Regional Director are the Production Division Director, Asset Management Division Directors, and the Operations Officer in the Regional Center and in the region’s Satellite Office(s), the Satellite Office Asset Management Division Director/Satellite Office Coordinator. The Satellite Office Asset Management Division Director/Satellite Office Coordinator is both an Asset Management Division Director and the head of that Satellite Office. The chart below identifies each Regional Center, the Satellite Office(s) that report to it, and the geographic area served by the Regional Center and its respective Satellite Office(s). The MFT Transformation also includes initiatives that require Multifamily Housing Programs staff to perform duties outside their geographic jurisdictions identified in the chart below (“Workload Sharing”).

**MULTIFAMILY HOUSING PROGRAMS REGIONAL STRUCTURE**

<table>
<thead>
<tr>
<th>Regional Center</th>
<th>Satellite Office(s)</th>
<th>Geographic Area Serviced</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlanta</td>
<td>Jacksonville</td>
<td>HUD Region IV: Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, Puerto Rico, South Carolina, Tennessee, Virgin Islands.</td>
</tr>
<tr>
<td>Chicago</td>
<td>Detroit, Minneapolis</td>
<td>HUD Region V: Ohio, Illinois, Indiana, Michigan, Minnesota, Wisconsin.</td>
</tr>
<tr>
<td>Fort Worth</td>
<td>Kansas City</td>
<td>HUD Regions VI and VII: Arkansas, Iowa, Kansas, Louisiana, Missouri, Nebraska, New Mexico, Oklahoma, Texas.</td>
</tr>
<tr>
<td>New York City</td>
<td>Boston, Baltimore</td>
<td>HUD Regions I, II, and III: Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania,</td>
</tr>
<tr>
<td>San Francisco</td>
<td>Denver</td>
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</tbody>
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In summary, certain Multifamily Housing Programs officials in Regional Centers, Satellite Offices, and Headquarters, acting within the scope of their redelegated authorities and applicable law, have independent authority, through the delegation process, to make binding decisions on behalf of the Department. Production Division Directors, Asset Management Division Directors, and Satellite Office Asset Management Division Directors/Satellite Office Coordinators report to Regional Directors.

**Section II. Multifamily Housing Programs—Functions**

The Office of Multifamily Housing Programs is charged with carrying out duties on behalf of the Assistant Secretary for Housing—Federal Housing Commissioner, Chief of Staff for Housing, General Deputy Assistant Secretary for Housing, and Associate General Deputy Assistant Secretary for Housing as they relate to multifamily programs set forth in HUD’s governing legislation, as described in the Consolidated Delegation of Authority for the Office of Housing—Federal Housing Administration (FHA). This broad range of programs enables HUD, in concert with the private and public sectors, to provide safe, decent, and affordable multifamily housing to millions of American families. The programs include mortgage insurance, rental assistance programs, and programs to improve and preserve affordable housing. Under this delegation, the Assistant Secretary for Housing—Federal Housing Commissioner, Chief of Staff for Housing, General Deputy Assistant Secretary for Housing, and Associate General Deputy Assistant Secretary for Housing redelegate broad program authority to the Deputy Assistant...
Secretary for Multifamily Housing Programs and to particular Multifamily Housing Programs officials in Headquarters and the field.

Characterizing the authority that is being redelegated in broad or general terms in this Section II will enable the Deputy Assistant Secretary for Multifamily Housing Programs, Associate Deputy Assistant Secretary for Multifamily Housing Programs, and Multifamily Housing Program Office Directors to perform all functions necessary to accomplish Multifamily Housing Programs tasks and objectives.

Section II of this delegation sets forth functions in general terms, while the preamble provides insights into the nature of the work performed by officials with delegated authority under each category. The basic multifamily housing functions and a brief description of each are as follows:

A. General Authority

This authority allows certain officials in the Office of Multifamily Housing Programs, designated in this notice, to sign any and all documents necessary to carry out business within their program and geographic jurisdictions, except for any authorities retained exclusively by the Assistant Secretary for Housing—Federal Housing Commissioner, Chief of Staff for Housing, General Deputy Assistant Secretary for Housing, and Associate General Deputy Assistant Secretary for Housing, as described in the Consolidated Delegation of Authority for the Office of Housing—Federal Housing Administration (FHA). Designated field officials and their staffs are authorized to engage in Workload Sharing across regional lines when their staffs are performing production and/or asset management/portfolio oversight functions that are otherwise consistent with limitations established in these redelegations. In addition, this authority allows such officials, when considering a proposal, to waive, for good cause and with written justification, any directives that are not mandated by statute or regulation or reserved to Headquarters.

B. Multifamily Production
This authority allows an official with delegated authority to make all necessary
determinations that relate to the FHA-insured mortgage underwriting process and the risk-
sharing programs, except as may be limited by internal controls. Essentially, this category of
authority begins with a pre-application or application for mortgage insurance and ends with the
Department’s endorsement of an insured mortgage and related documentation. For all mortgage
insurance programs, it includes, but is not limited to, such activities as determining the
acceptability of project sites; issuing firm commitments for FHA insurance; issuing initial or
final endorsements for FHA insurance; executing regulatory agreements; requiring corrective
actions and escrow accounts as needed; and wherever applicable, overseeing the actions of
HUD’s program participants in connection with a project’s development (e.g., authorizing a
housing finance agency to process risk sharing loans or to conduct a subsidy layering review).

C. Asset Management and Portfolio Oversight

Functions carried out under this category involve HUD’s continuing relationship with a
multifamily project after it has been added to the HUD portfolio through either FHA mortgage
insurance, co-insurance, or risk-sharing programs; direct loan; capital advance or grant
programs; other subsidy programs; and combinations thereof. Under this category, ongoing
decision-making relates to an insured or subsidized project’s occupancy, operations, and physical
and financial condition from the time of occupancy through final disposition, including, but not
limited to, prepayment, repayment of the loan or end of the subsidy contract, foreclosure, and/or
termination of the subsidy contract. In addition, functions involve the renewal of Section 8
contracts and other project-based assistance, and imposing sanctions upon project owners that,
for example, violate the terms of their regulatory agreement and/or Section 8 Housing Assistance
Payments contract. Further, functions involve the oversight of use agreements and contractual
restrictions, including consents to liens, approval of changes in ownership, amendment or release
(in part or in full) of use agreements or contracts, and granting of other consent rights held by
HUD. To the extent that these functions overlap authority delegated herein to Recap (for
example, with respect to the RAD and Mark-to-Market (M2M) programs), the two offices must work together to decide which office is responsible for a particular function. Included in this category is oversight over housing assistance and competitive grant programs administered by the Office of Multifamily Housing Programs, except for the authority to issue a final Notice of Funding Availability (NOFA) or to make grant awards. Competitive grant programs within the Office of Multifamily Housing typically include those for the Section 202 Supportive Housing for the Elderly Program, Section 811 Project Rental Assistance Program, Section 514 program, and the Multifamily Housing Service Coordinator Program. To the extent that functions with respect to the Section 202 Supportive Housing for the Elderly Program and Section 514 program overlap authority delegated herein to Recap, the two offices must work together to decide which office is responsible for a particular function. In any given year, Congress may authorize additional or alternative programs. Office functions include developing the criteria for applications, rating and ranking applications, and executing grant agreements. Once a grant is awarded, functions include monitoring compliance with the grant agreement, terminating a grant for noncompliance, modifying a grant, and closing out a grant.

Also included are contract administration and oversight. Functions in this area of contract administration and oversight involve activities related to the award of the Contract Administration Contracts (Annual Contribution Contracts), assessment and assignment of Section 8 contracts to Performance-Based Contract Administrators (PBCAs), evaluation of PBCA performance, provision of technical assistance to PBCAs, and prescription of any remedial actions needed to improve PBCA performance. Key functions also involve developing policies and procedures for field offices and coordinating efforts between the PBCAs and the local Multifamily Housing Programs field office staff; monitoring, evaluating, and providing technical guidance relative to field activities; assuring that PBCAs provide data needed to evaluate their performance and the status of contracts they administer; and coordinating audit activities associated with Section 8 Contract Administration. Funding activities involve budget
and funding responsibilities associated with various rental assistance programs, including both HUD and third-party administered contracts. Activities also include creating and approving administrative commitments for active contracts; determining funding levels; reserving the subsidy based on funding availability; and monitoring allotments versus annual appropriations, funding assignments versus allotments, reservations versus fund assignments, and actual reservations versus estimated activity. Additional functions include monitoring the timely payment of Section 8 housing assistance to PBCAs and project owners in collaboration with the accounting staff in the Office of the Chief Financial Officer. The funding area also works with the Department’s budget and accounting organizations to generate budget authority estimates for the above-referenced subsidy programs, to develop procedures for funding and payment processes, and to integrate systems to support the data.

Property disposition is also included in this category. Property disposition functions consist of foreclosure sales, post sales transaction oversight, tenant relocations, and property management. These functions include notifying an owner; hearing and deciding an owner’s appeal to the foreclosure determination; deciding the terms of and directing a foreclosure sale; accepting a deed-in-lieu of foreclosure; managing HUD-owned and HUD-held properties; authorizing any work and related terms required by a project in advance of a sale; advertising a project for sale; approving disposition plans, sales documents, and purchasers; executing rental assistance contracts; and relocating residents as may be necessary.

D. Recapitalization

Functions carried out under this category involve HUD efforts to preserve and recapitalize project-based affordable housing and HUD approvals informed by underwriting of refinancing transactions often involving a variety of public and private sector leverage and other financing sources. Functions primarily involve preservation of affordable housing through two main programs, the Mark-to-Market Program and the Rental Assistance Demonstration.
The Mark-to-Market Program preserves long-term affordability and availability of low-income rental multifamily housing properties by restructuring FHA-insured or formerly insured HUD-held mortgages for eligible multifamily housing projects. The Multifamily Assisted Housing Reform and Affordability Act of 1997, as amended (MAHRA) (42 U.S.C. 1437f note) authorized a Mark-to-Market program designed to preserve low-income rental housing affordability while reducing the long-term costs of Federal rental assistance, including project-based assistance from HUD, for certain multifamily rental projects. The projects involved are projects with (1) HUD-insured or formerly insured HUD-held mortgages; and (2) contracts for project-based rental assistance from HUD, primarily through the Section 8 program, for which the average rents for assisted units exceed the market rents. The program objectives are to (1) preserve housing affordability while reducing the costs of project-based assistance, often by reducing project-based rents to market levels; (2) restructure the HUD-insured or formerly insured HUD-held mortgages so that the monthly payments on the resulting new (or modified) first mortgage can be supported by the adjusted rents; (3) reduce the costs of insurance claims; (4) ensure competent management of the project; and (5) ensure that projects are adequately capitalized to meet future capital improvement needs. The restructured project is subject to long-term use and affordability restrictions. The M2M program’s predecessor program was the Portfolio Reengineering Demonstration Project (Demo) originally authorized in 1996 and most recently in 1998 under title V of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998 (Pub. L. 105–65).

Related to the M2M program and the Demo program functions are certain post-transaction reviews (Post M2M), which address the processing of an owner’s request to extend the maturity date of a HUD-held mortgage on, or to refinance or sell, or to sever excess land from, a property that previously received the benefits of a debt restructuring under the M2M program or the Demo program. Post M2M transactions may also include applications for debt assumption, modification, or forgiveness of M2M debt for a non-profit qualified by HUD as
being eligible to receive such benefit. In addition, under the American Recovery and
Reinvestment Act of 2009 (Recovery Act), OAHP was charged with providing grants and loans
(Green Retrofit Program Loans or GRP Loans) for energy retrofit and green investments in
assisted housing projects (Green Retrofit Program or GRP) through the policies, procedures,
contracts, and transactional infrastructure authorized for M2M. Functions include the
administration of GRP Loans, including an owner’s request to extend the maturity date or
otherwise modify a GRP Loan, or when a property encumbered by a GRP Loan is being sold or
refinanced.

The Rental Assistance Demonstration (RAD) allows properties to be converted from their
original regulatory platform to the Section 8 project-based voucher program or the Section 8
project-based rental assistance program, which in turn allows a variety of financing tools to be
applied to at-risk public and assisted housing in order to preserve the Nation's stock of deeply
affordable rental housing, promote efficiency within and among HUD programs, and build
strong, stable communities. RAD allows public housing agencies to leverage public and private
debt and equity in order to reinvest in the public housing stock, and gives owners of multifamily
housing properties with Rent Supplement (Rent Supp) project-based rental assistance contracts,
Section 236 Rental Assistance Payments (RAP) project-based rental assistance contracts, Section
8 Moderate Rehabilitation (Mod Rehab) project-based rental assistance contracts, Section 8
Moderate Rehabilitation Single Room Occupancy (Mod Rehab SRO) project-based rental
assistance contracts, and Section 202 project rental assistance contracts (Section 202 PRACs) the
opportunity to enter into long-term project-based rental assistance contracts.

Functions related to the RAD, M2M, and Post M2M activities also involve the oversight
of RAD and M2M use agreements and contractual restrictions, including consents to additional
liens, approval of changes in ownership, amendment or release of use agreements or contracts,
and granting of other consent rights held by HUD.
In addition to these two main programs, functions under this heading include the following additional programs: (1) the Section 236 program, under which Recap processes Section 236 preservation transactions in order to recapitalize and/or maintain the affordability of Section 236 projects through refinancing, tax credits, or other forms of assistance; (2) the Senior Preservation Rental Assistance Contract (SPRAC) program, under which new 20-year project-based rental assistance contracts are entered into that prevent displacement of income-eligible elderly residents who reside in Section 202 Direct Loan projects with original interest rates of six (6) percent or less in the case of refinancing or recapitalization of the project; (3) pre-1974 Section 202 Housing for the Elderly preservation activities, which coordinate the issuance of Section 8 tenant protection vouchers upon prepayment or maturity of the Section 202 Direct Loan and the project-basing of such Section 8 rental assistance, either alone or in conjunction with a SPRAC in order to prevent displacement of income-eligible elderly residents who reside in Section 202 Direct Loan projects; and (4) oversight of the Section 202 Supportive Housing for the Elderly and the Section 514 competitive grant programs administered by the Office of Multifamily Housing Programs.

E. Program Demonstrations

Periodically, Congress will enact legislation that authorizes HUD to conduct a multifamily housing program on a demonstration basis. The purpose of a demonstration is essentially to test the viability of a new program on a limited basis, for example, by geography, case volume, or time. Functions related to demonstration programs include developing program criteria, implementing the program, monitoring activities and results, preparing any required reports to Congress, and closing out the program.

F. Coinsurance

In 1990, HUD stopped accepting new applications for multifamily housing coinsurance. However, HUD still carries out multifamily housing coinsurance program functions related to the existing inventory, which include any and all actions necessary to carry out the program
authorized under 12 U.S.C. 1715z–9. Functions also include authorizing second mortgage
documents in partial payment-of-claims cases, as well as approving requests for the conversion
of coinsurance to full mortgage insurance.

G. Portfolio Reengineering

Although all cases under the Portfolio Reengineering Demonstration Project (Demo)
program have been closed, there are ongoing asset management functions related to this portfolio
of projects.

H. Limited Denials of Participation and Other Available Remedies

A participant, contractor, or affiliate, other than a mortgagee, who fails to comply with
HUD program regulations, rules, and/or procedures can be denied the right to participate in a HUD
program or programs. Procedures governing the nature and scope of proceedings for the issuance
of a limited denial of participation are set forth in 2 CFR part 2424, subpart J. Only certain officials
may issue such limited denials of participation pursuant to the process in the regulations. The
issuance of a limited denial of participation does not preclude HUD from initiating additional
administrative action (see, e.g., 31 U.S.C. § 3081 et seq.; 2 CFR part 180, 2 CFR § 2424.10 et seq.,
24 CFR part 25, 24 CFR part 30, 24 CFR part 200, subpart Y) or referring a matter to the U.S.
Department of Justice for civil or criminal enforcement.

Section III. Multifamily Housing Programs—Authority Redelegated

As provided in this Section III, the Assistant Secretary for Housing—Federal Housing
Commissioner, Chief of Staff for Housing, General Deputy Assistant Secretary for Housing, and
Associate General Deputy Assistant Secretary for Housing retain and redelegate the power and
authority (1) to the Deputy Assistant Secretary for Multifamily Housing Programs; (2) through
the Deputy Assistant Secretary for Multifamily Housing Programs to the Headquarters
Multifamily Program Office Directors listed below; and (3) through the Headquarters
Multifamily Program Office Directors to the Headquarters and field Office officials listed below,
the following power and authority, as derived from Consolidated Delegation of Authority for the
Office of Housing—Federal Housing Administration (FHA).

A. Deputy Assistant Secretary for Multifamily Housing Programs

Authority is redelegated, on a nationwide basis, to take all actions necessary to conduct
all multifamily housing programs, including, but not limited to, the exercise of the following
functions:

(1) The general power to modify and sign any documents necessary to perform
enumerated functions and to waive any directive that is not mandated by a statute or regulation;

(2) All production functions related to mortgage insurance, grants, risk-sharing, or other
multifamily programs;

(3) All recapitalization and asset management and portfolio oversight functions related to
mortgage insurance, loans, capital advances, or grants, or other programs, including, but not
limited to, functions related to Section 8 contract administration and funding, and the renewal of
Section 8 contracts and other project-based assistance;

(4) All functions necessary to carry out a competitive grant program;

(5) All functions necessary to carry out a program conducted on a demonstration basis;

(6) All functions necessary to carry out the Rental Assistance Demonstration, Mark-to-
Market Program, Green Retrofit Program, and Portfolio Reengineering Demonstration Program;

(7) All property disposition functions;

(8) All functions necessary to the conduct of the Multifamily coinsurance program;

(9) All functions necessary to the conduct of Section 8 contract administration
oversight/funding;

(10) All functions necessary to carry out the Self-Help Housing Property Disposition
Program;

(11) Authority to issue limited denials of participation; and,

(12) All source selection official functions.
B. Associate Deputy Assistant Secretary for Multifamily Housing Programs

All authority delegated to the Deputy Assistant Secretary for Multifamily Housing Programs under this notice is redelegated to the Associate Deputy Assistant Secretary for Multifamily Housing Programs in the absence or unavailability of the Deputy Assistant Secretary. Further, all authority delegated to the Deputy Assistant Secretary is redelegated to the Associate Deputy Assistant Secretary in those instances where managers and staff of the Office of Multifamily Housing Programs are designated by the Deputy Assistant Secretary to report through the Associate Deputy Assistant Secretary. The authority being redelegated in this subsection is a broad and general authority to take all actions and to perform all functions necessary to conduct all multifamily housing programs on a nationwide basis, including, without limitation, to facilitate Workload Sharing when field staff is required to perform duties outside their geographic jurisdiction, and further, including, without limitation, the authority to redelegate, or withdraw from, any authority delegated under this notice.

C. Director and Deputy Director, Office of Multifamily Production

Authority is redelegated, on a nationwide basis, to take all actions necessary to conduct all multifamily housing programs in relation to the following functions:

(1) The general power to sign any documents necessary to perform enumerated functions and to waive any directive that is not mandated by a statute or regulation;

(2) All production functions related to mortgage insurance or risk-sharing programs; and

(3) All functions necessary to carry out a program conducted on a demonstration basis.

D. Director and Deputy Director, Office of Asset Management and Portfolio Oversight

Authority is redelegated, on a nationwide basis, to take all actions necessary to conduct all multifamily housing programs in relation to the following functions:

(1) The general power to sign any documents necessary to perform enumerated functions and to waive any directive that is not mandated by a statute or regulation;
(2) All asset management and portfolio oversight functions related to mortgage insurance, loans, capital advances, or grants or other programs, including, but not limited to, functions related to Section 8 contract administration and funding, the renewal of Section 8 contracts and other project-based assistance, the transfer of Section 8 budget authority and/or use agreements from one site to another (e.g., pursuant to Section 8bb), and all matters related to Flexible Subsidy Loans;

(3) All functions necessary to carry out competitive grant programs;

(4) All functions necessary to carry out a program conducted on a demonstration basis;

(5) All property disposition functions;

(6) All functions necessary to conduct the multifamily coinsurance program; and

(7) Authority to issue limited denials of participation.

The Deputy Assistant Secretary for Multifamily Housing Programs, through the Director of the Office of Asset Management and Portfolio Oversight further redelegate to the Director of the Field Asset Management and Program Administration Division all powers and authorities to execute any documents necessary to perform enumerated functions related to the modification or release (in part or in full) of regulatory agreement(s) and use agreement(s) for multifamily housing projects and programs.

E. All Regional Directors, Operations Officers, Production Division Directors, Asset Management Division Directors, and Satellite Office Asset Management Division Directors/Satellite Office Coordinators

The authority redelegated authorizes these officials to take all actions necessary to the conduct of all multifamily housing programs, not including the property disposition program, coinsurance program, and M2M, Demo, and Green Retrofit programs. With respect to the M2M, Demo, and Green Retrofit programs, the authority redelegated authorizes these officials to take all actions with respect to an M2M, Demo, or Green Retrofit Program use agreement, loan, or mortgage modification, partial release of security or HUD consent required pursuant to an M2M,
Demo, or Green Retrofit transaction document provided that such authority is delegated to such officials by administrative guidance issued from time to time by the Deputy Assistant Secretary or which is consistent with a memorandum issued by the Office of Recapitalization. The authority is further limited in that it may be exercised only within each official’s authorized geographic jurisdiction. Accordingly, the Regional Directors, Operations Officers, Production Division Directors, Asset Management Division Directors, and Satellite Office Asset Management Division Directors/Satellite Office Coordinators may exercise the functions enumerated herein with the full geographic jurisdiction of their respective Regional Center, which include all Satellite Office areas under their respective jurisdictions. Designated officials and their staffs are also authorized to engage in Workload Sharing with other jurisdictions when their staffs are performing production and/or asset management/portfolio oversight functions that are otherwise consistent with limitations established in these redelegations. The authority redelegated permits the exercise of the following functions:

1. Except as specifically stated otherwise in this notice or administrative guidance, the general power to modify and sign any documents necessary to perform functions enumerated herein and to waive any directive that is not mandated by statute or regulation or reserved to Headquarters;

2. All production functions related to mortgage insurance, grants, or other multifamily housing insurance programs, except as follows:
   a. Operations Officers cannot issue a conditional or firm commitment or endorse FHA notes for insurance;
   b. Production Division Directors, Asset Management Division Directors and Satellite Office Asset Management Division Directors/Satellite Office Coordinators (each a “Field Division Director”) cannot issue a conditional or firm commitment for mortgage insurance where the principal amount of the mortgage is in excess of $15 million. The Regional Director can issue a firm commitment for mortgage insurance without any limitation related to the principal
amount of the mortgage, but such loans may be subject to departmental controls or other required approval(s) before either an application invitation letter or a firm commitment can be issued, depending on program type, project size, loan size, and real estate risk.

(3) The Regional Director may redelegate (and subsequently withdraw), for good cause and with written justification, any authority that may be delegated to a Field Division Director to any Branch Chief within his or her geographic jurisdiction, except that the authority to issue or reissue FHA firm mortgage insurance commitments is limited to no greater than $5 million, and authority to sign firm commitment amendments for commitments greater than $5 million is limited to amendments that do not increase the mortgage amount. Redelegations granted for a limited time period must state either (1) the specific dates or (2) the length of time the redelegated authority will be in effect. Redelegations granted on a case-by-case basis must identify the project, activity, or undertaking involved;

(4) All asset management functions related to mortgage insurance, loans, grants, or other programs, except as follows:

(a) Regional Directors, Operations Officers, Production Division Directors, Asset Management Division Directors and Satellite Office Asset Management Division Directors/Satellite Office Coordinators cannot perform the following functions: (i) authorize the acceleration of the principal debt of a mortgage; (ii) terminate a rent supplement contract or rental assistance contract; (iii) declare a default under an interest reduction payment contract; (iv) authorize a partial payment of claim; (v) authorize a loan or mortgage modification, except a loan or mortgage modification (1) under M2M, Demo, or with respect to a GRP Loan, including a partial release of security under those programs, which is consistent with a memorandum to be issued by the Office of Recapitalization, or in a manner determined by administrative guidance issued from time to time by the Deputy Assistant Secretary, (2) to process an interest rate reduction in accordance with existing or subsequent guidance, or (3) that the Deputy Assistant Secretary for Multifamily Housing Programs may authorize from time to time through the
issuance of administrative guidance; (vi) authorize the override of a mortgage lockout provision; or (vii) authorize a prepayment of a HUD-insured or HUD-held mortgage, or voluntary termination of mortgage insurance; except as provided in (v) above or unless specifically authorized to do so by an express redelegation of authority from the Assistant Secretary for Housing—Federal Housing Commissioner, the Chief of Staff for Housing, General Deputy Assistant Secretary for Housing, or Associate General Deputy Assistant Secretary for Housing setting forth any affected programs and terms and conditions applicable thereto.

(b) Operations Officers and Production Division Directors cannot issue (i) a notice of violation under the terms of a regulatory agreement; (ii) a notice of default under the terms of a Section 8 housing assistance payments contract; (iii) an approval of a partial release of security; or (iv) an approval of a release from a residual receipts account.

(5) All functions necessary to carry out competitive capital advance programs;

(6) All functions necessary to carry out a program conducted on a demonstration basis;

(7) Authority to issue limited denials of participation; and

(8) Regional Directors and Satellite Office Asset Management Division Directors/Satellite Office Coordinators are authorized to carry out all source selection official functions for field office-based procurements, provided that the contract amount is less than $10 million.

F. Director of OAMPO Property Disposition Division Only

Authority is redelegated to the Director of Property Disposition Division, on a nationwide basis, to take all actions and perform all functions, including signing any documents in furtherance thereof and issuing waivers of directives not mandated by statute or regulation, necessary to conduct the multifamily and healthcare property disposition program. For the healthcare property program, this authority must be exercised in accordance with guidance established between the Office of Healthcare Programs and the Office of Multifamily Housing Programs.
Section IV. Office of Recapitalization—Authority Redelegated

A. The Assistant Secretary for Housing—Federal Housing Commissioner, Chief of Staff for Housing, General Deputy Assistant Secretary for Housing, and Associate General Deputy Assistant Secretary for Housing redelegate to the Deputy Assistant Secretary for Multifamily Housing Programs and the Director and Deputy Director of the Office of Recapitalization the following authority:

(1) All authority necessary to carry out the provisions of the Mark-to-Market Program under MAHRA, the Demo Program, the Green Retrofit Program, and Post M2M activities, including shared authority with OAMPO for the sale or disposition of M2M loans, Demo loans, and GRP Loans, and for the full or partial release or amendment of use restrictions associated with M2M, Demo and GRP Loans. The two offices must work together to decide which office is responsible for a particular function associated with such sales, dispositions, or use agreement modifications. The foregoing authorities do not include the authority to issue and/or waive regulations and to sue and be sued.

(2) All asset management functions associated with (i) Section 236 preservation transactions; (ii) the deferral and subordination of the repayment of Operating Assistance Flexible Subsidy Loans and prepayment of Section 236 mortgages (including FHA-insured, non-insured, and HUD-held mortgages), and (iii) other HUD approvals related to Section 236 preservation transactions, including, but not limited to, the following powers and authorities: To process and sign any documents necessary to fulfill the functions associated with Section 236 preservation transactions, including, but not limited to, the following: prepayments; Interest Reduction Payment (IRP) decouplings and re-decouplings; excess income requirements; modifications to Emergency Low-Income Housing Preservation Act (ELIHPA) and Low-Income Housing Preservation and Resident Homeownership Act (LIHPRHA) use agreements(s); Rent Supplement and Section 236 Rental Assistance Payment contract extensions; unit conversion
requests; allowance of nonprofit sales proceeds and distributions; and other related approvals or
denials.

(3) To administer all aspects of the Rental Assistance Demonstration (RAD), including, but not limited to, the review of Financing Plans and Conversion Plans, issuance of and amendments to RAD Conversion Commitments (RCCs) and conditional approval letters, amendments to or reissuances of Commitments to enter into Housing Assistance Payments Contracts (CHAPs), multi-phase awards or portfolio awards, execution of RAD conversion transaction documents, and implementation of closings and post-closing activities, with the exception of releases of public housing related Declarations of Trust or Declarations of Restrictive Covenants, which are retained by the Assistant Secretary for Public and Indian Housing and as redelegated under Public Housing delegations of authority, and with the exception of waivers of public housing, Section 8 Project-Based Voucher and/or Section 8 Project-Based Rental Assistance regulations, which are retained by the Assistant Secretary for Housing and/or the Assistant Secretary for Public and Indian Housing, as applicable.

To carry out all functions related to RAD use agreements and contractual restrictions, including consents to liens, approval of changes in ownership, amendment or release of use agreements or contracts, and granting of other consent rights held by HUD. To the extent that these RAD functions overlap authority delegated to OAMPO, the two offices must work together to decide which office is responsible for a particular function.

(4) To execute new project-based rental assistance (PBRA) HAP contracts associated with RAD conversions, including for public housing properties converting under RAD Component 1 and for Rent Supp/RAP, Mod Rehab, Mod Rehab SRO and Section 202 Capital Advance developments with Project Rental Assistance Contracts (202 PRACs), converting under Component 2, and any forthcoming legacy programs for which Congress may create a RAD conversion option. To the extent that these RAD functions overlap authority delegated to
OAMPO, the two offices must work together to decide which office is responsible for a particular function.

(5) To release documents related to Section 202 Capital Advance developments with Project Rental Assistance Contracts (202 PRACs), including capital advances and use agreements, to facilitate the execution of new agreements and covenants required for 202 PRAC conversions to RAD.

(6) To administer all aspects of the Senior Preservation Rental Assistance Contract (SPRAC) program, including, but not limited to, the review of submissions requesting SPRAC rental assistance, issuance of conditional and final approval letters, execution of SPRAC transaction documents, and implementation of closings and post-closing activities.

(7) To administer preservation activities with respect to Pre-1974 Section 202 Housing for the Elderly properties, including, but not limited to, review of submissions related to prepayment of the Section 202 Direct Loan, coordination with the Office of Public and Indian Housing regarding the issuance of Section 8 tenant protection vouchers upon prepayment or maturity of the Section 202 Direct Loan and the project-basing of such Section 8 rental assistance, execution of transaction documents, and implementation of closing and post-closing activities.

(8) All functions necessary to carry out competitive grant programs pursuant to the Section 202 Capital Advance program and the Section 514 Tenant Organizing and Education program (including developing the criteria for applications, rating and ranking applications, executing grant agreements, and executing associated project rental assistance contracts), except for the authority to issue a final NOFA or to make grant awards. To the extent the implementation and oversight of the Section 202 Supportive Housing for the Elderly and the Section 514 functions overlap authority delegated herein to the Office of Asset Management and Portfolio Oversight, the two offices must work together to decide which office is responsible for a particular function.
(9) All functions necessary to carry out a program conducted on a demonstration basis.

B. The foregoing redelegations to the Director and Deputy Director of the Office of Recapitalization include, without limitation, the following authority:

(1) To modify and sign any documents necessary to perform enumerated functions and to waive any directive that is not mandated by a statute or regulation.

(2) To administer all provisions of MAHRA, including, but not limited to, the following:
   (a) To make eligibility determinations under sections 512 and 516 of MAHRA;
   (b) To enter into, modify, and/or extend agreements with participating administrative entities under section 513 of MAHRA;
   (c) In connection with a restructuring transaction, to make rent and/or mortgage restructuring determinations under sections 514, 515, 517, and 524 of MAHRA; and
   (d) To terminate, modify, or affirm any decision on appeal under MAHRA.

(3) In connection with a restructuring transaction, to modify the principal balance, payments, interest rate, and amortization period and other terms of existing FHA-insured and HUD-held mortgages, including any HUD or Secretary-held subordinate debt encumbering or otherwise related to a project; and to issue restructuring commitments and closing documents relating to such debt.

(4) To issue HUD forms 92264 and 92264A upon approval of a restructuring plan.

(5) In connection with a restructuring transaction, to approve transfers of physical assets.

(6) In connection with a transaction, to approve environmental assessment and compliance findings for related laws report, HUD form 4128 or through the HUD Environmental Review Online System (HEROS).

(7) To issue a commitment to insure and endorse for insurance a mortgage note given to refinance a HUD-insured or HUD-held mortgage, pursuant to sections 223(a)(7) or 223(f) of the National Housing Act (12 U.S.C. 1715n), in accordance with protocol(s) established between the Office of Recapitalization and the Office of Multifamily Production.
(8) For qualified nonprofit entities acquiring projects that are the subject of a restructuring transaction, to modify, assign, or forgive debt created in the restructuring.

(9) To administer escrow accounts and modify the agreement established under the restructuring transaction for the purpose of addressing immediate and near-term rehabilitation needs of a project.

(10) To perform all functions of a source selection official in relation to a procurement under the subject matter jurisdiction of the Office of Recapitalization, subject to laws, regulations, and HUD policies and procedures governing the procurement process.

(11) To administer grant programs, other than selecting a grantee.

(12) To extend the maturity date of and otherwise modify mortgage restructuring notes, contingent repayment notes, Demo notes, and notes evidencing GRP Loans, and approve, in connection with a project’s sale or mortgage refinancing, the assumption, modification, and/or subordination of mortgage restructuring notes, contingent repayment notes or Demo notes, previously created during a debt restructuring transaction, and notes evidencing GRP Loans.

(13) To administer all Section 236 prepayments and all processing pursuant to prepayments.

(14) To administer all Rental Assistance Demonstration transactions processed by the Office of Multifamily Housing Programs.

(15) To designate an official to review any appeal, conduct the conference, and issue the written decision in accordance with 24 CFR 401.651.

C. To the Affordable Housing Transaction Division Director and each Affordable Housing Transaction Branch Chief, through the Deputy Assistant Secretary for Multifamily Housing Programs and the Director and Deputy Director of the Office of Recapitalization, the following authority is delegated:
(1) To modify and sign any documents necessary to perform enumerated functions and to waive any directive issued by the Office of Recapitalization that is not mandated by a statute or regulation.

(2) To administer the following provisions of MAHRA;

(a) To make eligibility determinations under sections 512 and 516 of MAHRA;

(b) In connection with a restructuring transaction, to make rent and/or mortgage restructuring determinations under sections 514, 515, 517, and 524; and

(c) To reject or hear and decide any appeal made to the transaction branch responsible for M2M under and in accordance with 24 CFR 401.645 or another permissible procedure.

(3) In connection with a restructuring transaction, to modify the principal balance, payments, interest rate, and amortization period and other terms of existing FHA-insured and HUD-held mortgages, including any HUD or Secretary-held subordinate debt encumbering or otherwise related to a project; and to issue restructuring commitments and closing documents relating to such debt.

(4) To issue HUD forms 92264 and 92264A upon approval of a restructuring plan.

(5) In connection with a restructuring transaction, to approve transfers of physical assets.

(6) In connection with a transaction, to approve environmental assessment and compliance findings for related laws report, HUD form 4128 or through the HUD Environmental Review Online System (HEROS).

(7) To issue a commitment to insure and endorse for insurance a mortgage note given to refinance a HUD-insured or HUD-held mortgage, pursuant to sections 223(a)(7) or 223(f) of the National Housing Act (12 U.S.C. 1715n), in accordance with protocol(s) established between the Office of Recapitalization and the Office of Multifamily Production.

(8) To modify and sign any documents necessary to perform enumerated functions related to the rehabilitation needs of a project that was the subject of a restructuring transaction.
(9) To administer escrow accounts and modify the agreement established under the restructuring transaction, for the purpose of addressing immediate and near-term rehabilitation needs of a project.

D. Authority to Redelegate within the Office of Recapitalization. The Director and Deputy Director of the Office of Recapitalization may further redelegate, or withdraw from, any authority delegated to them in this notice to any other Office of Recapitalization official.

**Section V. Authority Excepted**

The authority redelegated in this notice does not include the authority to issue or to waive HUD regulations. The authority redelegated in this notice does not include the authority to sue or be sued.

**Section VI. Further Redelegations**

Except as otherwise specified in this notice, the Deputy Assistant Secretary may redelegate, or withdraw from, any authority delegated to the Deputy Assistant Secretary under this notice to any Multifamily Housing Programs official. The Deputy Assistant Secretary for Multifamily Housing Programs is authorized to redelegate authority to Regional Directors outside their geographic jurisdiction, as necessary, to facilitate Workload Sharing when field staff is required to perform duties outside their geographic jurisdiction, but otherwise consistent with the limitations established in this notice. The authority specified in Section III. A, item (10) (the Self-Help Housing Property Disposition Program) may not be further redelegated by the Deputy Assistant Secretary for Multifamily Housing Programs to other officials.

A Regional Director may redelegate to, or withdraw from any official within his or her geographic jurisdiction and expanded geographic jurisdiction as authorized by the Deputy Assistant Secretary for Multifamily Housing Programs, any authority delegated to the Regional Director under this notice except:
(a) a Regional Director has limited authority to redelegate the authority to issue FHA conditional or firm mortgage insurance commitments, as set forth in Section III(D)(3) of these redelegations; and

(b) a Regional Director may not further redelegate the authority which is delegated to Regional Directors, Asset Management Division Directors, and Satellite Office Asset Management Division Directors/Satellite Office Coordinators to issue: (i) a notice of violation under the terms of a regulatory agreement; (ii) a notice of default under the terms of a Section 8 housing assistance payments contract; (iii) an approval of a partial release of security; or (iv) an approval of a release from a residual receipts account.

Except as stated otherwise herein, the authority redelegated to Operations Officers, Production Division Directors, Asset Management Division Directors, and Satellite Office Asset Management Division Directors/Satellite Office Coordinators may not be further redelegated by those officials.

Section VII. Revocation of Delegations

All prior redelegations of authority to the Deputy Assistant Secretary and other staff in the Office of Multifamily Housing Programs are hereby superseded. The Assistant Secretary for Housing—Federal Housing Commissioner, Chief of Staff for Housing, General Deputy Assistant Secretary for Housing, and Associate General Deputy Assistant Secretary for Housing may, at any time, revoke any of the authority redelegated in this notice. Notice of any revocation will be published in the Federal Register.

Section VIII. Ratification

All actions previously taken before publication of this notice by the specified HUD officials consistent with the authorities described herein are ratified.

Authority: Section 7(d), Department of Housing and Urban Development Act (42 U.S.C. 3535(d)).
Dana T. Wade,

Assistant Secretary for Housing—

Federal Housing Commissioner.

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