

Pacific Currents Newsletter

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Asset Management, San Francisco Division, West Region

Message From Regional Director, Matt Naish

Dear Colleagues,

One of the Western Region's highest priorities is to provide exceptional communication to our clients, stakeholders, and business partners. Communication that is timely, accurate, and actionable helps to ensure we can all do our jobs in an efficient and high-quality manner, while enhancing our sense of community.

As part of our communication platform we are today re-launching the Western Region Asset Management Newsletter. The newsletter will help us stay connected, cover a diversity of programmatic topics and market intelligence, and provide a venue to showcase the incredible work and leadership happening in the HUD assisted and market rate portfolios.

We hope you find our Newsletter informative. The opportunities to generate positive outcomes for the communities we serve are limitless. We look forward to our continued partnerships and working with all of you to realize those outcomes.

Fire/Disaster Reporting

Janea Jackson

As wildfires are raging across the West, I would like to remind all of our HUD Multifamily properties to ensure their "Disaster Management Plan" is up-to-date. Please follow the plan should your property fall within an evacuation warning or evacuation zone and reach out to your property's assigned Account Executive (AE) as soon as it is safe to do so. Please consider the following:

Multifamily Asset Management staff will continue to call each property in proximity to the fires to see if the property and residents are at risk and provide any resources needed. If you are in an evacuation warning zone or are ordered to evacuate, please reach out to your AE as soon as it is safe to do so. If residents are ordered to evacuate, please make sure you keep track of your residents' whereabouts. Make sure you have residents' phone numbers and know where they are living (ex. shelter, with a friend, etc.). Please stay in daily contact with your AE.

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Vacancy Reporting

With many disaster events, there is a need for **temporary and permanent housing** for survivors displaced from their primary residence. Vacancy or potential resource information is shared with our partners that assist survivors with locating temporary housing. The information can also include availability in non-HUD affiliated properties.

Project-based Section 8 properties may temporarily offer rental housing if the residents are displaced and are FEMA certified as disaster victims. The temporary tenant will be required to pay the contract rent and will not receive subsidy. *Please note that 202/811 PRAC properties cannot temporarily house fire survivors if they have eligible households on the waitlist.*

Please submit any potential resources you have available weekly no later than close of business each Thursday to: sf.vacancy@hud.gov.

Properties are not required to report if they have no available vacancies.

Clarification on Current Management Certification Policy

Carlos Harb

Management agents operating HUD-insured and HUD-assisted properties are paid a management fee for their services. In light of recent misunderstandings and inconsistencies surrounding the calculation of management fees on a new 9839, the HUD office is issuing clarification consistent with current policy. More specifically:

- ◆ For Post-1986 Agreements: When an owner and agent agree on a new management fee percentage to be paid out for services rendered, a new 9839 must be submitted to HUD. The SF Office may approve the agreed upon percentage if the resulting Per-Unit-Per-Month (PUPM) fee yield falls within the residential fee range established by the SF Office at the time approval was requested. The agreed upon percentage does not result in a PUPM yield that exceeds the maximum allowable amount at the time of submission or in subsequent years due to rent increases. Even with applicable ordinary add-on fees added to the management fee, the total amount of the management fee cannot exceed the maximum fee limits per the Revised Management Fee Ranges memo.
- ◆ Add on fees should not be reflected in Attachment 1-1 Residential Fee of the 9839. Add on Fees should be specifically listed under the “Special Fees” section of the HUD 9839 and should NOT be part of the residential fee percentage.
- ◆ Please contact your assigned Account Executive for further questions.

“HUD believes that no one should be without a safe, stable place to call home.”

New Hire Spotlight, Samantha McManus

Hello! My name is Sam McManus and I am excited to join Gwen Kelleher’s Resolution Team as a Program Assistant.

I graduated from Binghamton University in 2018 with a degree in Mathematics and Education. After graduation, I moved to Taiwan on a Fulbright Scholarship, where I spent the last two years developing and implementing the inaugural Mandarin Chinese-English bilingual curriculum for both elementary school and junior high school.

Outside of work, I can usually be found cooking, watching documentaries, reading history and math books, and competing in triathlon relays. (If anyone has taken up running or biking during the pandemic, I’m currently recruiting for a new relay team!)

I’m incredibly excited to join with the Multifamily Asset Management team and I look forward to meeting everybody in person soon!





Refinance Process Improvement

Janea Jackson

Beginning fiscal year 2021, Multifamily West Region will implement process improvements to further streamline submittal requirements and improve processing timeframes and rent setting for affordable transactions involving refinances, Low-Income Housing Tax Credits (LIHTC), and other affordable housing tools. The process innovations will emphasize that when a subsidized property is refinancing with FHA, the MAP Appraisal can be (is encouraged to be) used in lieu of a third-party Rent Comparability Study (RCS). In addition to ensuring concept meetings discuss the use of MAP Appraisal for Section 8 rent setting, we will regularly encourage owners who are considering Mark-Up-To-Market (MU2M) and other refinancing options to talk with their AE to go over all the particulars prior to their submission. We will also ask owners to include and highlight information about new FHA financing any time they are submitting a renewal request and to include the MAP Appraisal with their RCS if there is indication that the rents will be above the 140% census tract 120% Small Area Fair Market Rents (SAFMR) threshold.

To further our goal to improve processing of affordable transactions, Multifamily West Region will host trainings for our internal staff and for the Industry on LIHTC refinances and rent setting. The trainings will stress the importance of communication between all parties, the Owner/Management Agent, Production, and Asset Management on any deal. In addition, HUD will create informational material for the Industry to aid in understanding process steps, submittal requirements, and timelines.

COVID—19 Supplemental Payment (CSP)

Amanda Kochak

On July 23, 2020 HUD released Housing Notice H-2020-08, “[Availability of Funds for COVID-19 Supplemental Payments \(CSPs\) for Properties Receiving Project-Based Rental Assistance under the Section 8, Section 202, or Section 811 Programs.](#)” This notice outlined HUD’s strategy for distributing \$224 million of CARES Act funds to offset property expenditures from preventing and combating COVID-19.

The San Francisco Regional Center HUD and PBCA staff received and processed **over 500 requests** for CSP payments. Requests eligible for payment were submitted to HUD Headquarters September 1st for pro-ratio evaluation (if determined necessary) and funding processing.

Properties should expect to receive their CSP payments the beginning of fiscal year 2021. HUD is proud to be able to support Owners & Agents in their efforts to keep properties and residents safe from COVID -19.

Social Media

- ◆ <https://www.linkedin.com/company/fed-housing-admin/>
- ◆ <https://twitter.com/FHAgov>
- ◆ <https://www.linkedin.com/company/hud/>
- ◆ <https://twitter.com/HUDgov>