



Kate Brown, Governor

HUD Contract Administration Section

www.ohcs.oregon.gov

May 23, 2016

SECTION 8 PROGRAM UPDATES

OHCS DIRECTOR RESIGNS

On May 31, 2016, Margaret VanVliet is stepping down as the director of Oregon Housing and Community Services after five years of service. Claire Seguin, Assistant Director of Housing Stabilization Division, has been appointed by Governor Brown to be the interim director effective June 1, 2016. The governor's office has not released their plans for permanently filling the position.

HUD SERVICING BY ALPINE COMPAINIES, INC

Thursday, May 19, 2016, HUD sent a memo to Section 8 owners and management agents regarding the *Multifamily for Tomorrow (MFT)* transformation. This is the final piece to the transition/transformation for the Region X offices. We are now moving into the West Region which will service Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, and Washington. All contracts have been assigned to either Alpine Companies, Inc. or to one of the HUD offices through the workload sharing program. A contract can change assignments as activities with the contract change (i.e. owner and/or management changes). Most of the Oregon portfolio is being serviced by Alpine Companies, Inc. You can find your assigned office at

<http://portal.hud.gov/hudportal/HUD?src=/states/shared/working/west/mf/ownmgmt/ae>.

Knowing how to contact Alpine Companies, Inc. has been rather confusing of late with new instructions flying at us a couple of times a week. I believe that today OHCS received the final instruction for requesting assistance for items that historically have gone to the Portland HUD field office. If your property is serviced by Alpine Companies, use hud@alpinecompaniesinc.com or 801-999-1035 (toll free 888-530-3734). If your property is serviced by HUD staff, use the central email system at OR-MF@hud.gov. Include in the subject line, type of request, project name, and FHA# or Contract #.

Please remember that the questions and requests that you usually send to OHCS will continue to come to us.

UPDATED FORM HUD-92006 - SUPPLEMENT TO THE APPLICATION

HUD recently released a new version of Form HUD-92006 – Supplement to the Application for Federally Assisted Housing. The only revision to the form is an updated expiration date of 2/28/2019. This form must be included in the application packet. You can access the form at <http://portal.hud.gov/hudportal/documents/huddoc?id=92006.pdf>.

ARE ELECTRONIC TENANT FILES ACCEPTABLE TO HUD?

OHCS recently reached out to HUD to find out if it is acceptable for the properties to go paperless by electronically storing the tenant files and disposing of the paper files. HUD's answer is a definite "No". They stated that until the HUD Handbook 4350.3 REV-1 Chng 4 is changed "*...an electronic tenant file can be maintained at the corporate office; however, a paper copy of the tenant file is to be maintained at the project site.*" Throughout the HB 4350.3, and on the HUD Form-9887 and Form-9887-A, the owner is instructed to keep the original signed document in the tenant file. OHCS is doing the first MORs in five years at the end of May 2016. Be sure the tenant files are in paper format and are in good order.

HUD PROPOSED RULE ON INSTALLATION OF BROADBAND

In the May 18, 2016 *Federal Register*, HUD proposed a rule on Narrowing the Digital Divide Through Installation of Broadband Infrastructure in HUD-Funded New Construction and Substantial Rehabilitation of Multifamily Rental Housing. Comments are due **July 18, 2016**. This rule builds on the [Connect Home](#) initiative. The proposed rule can be accessed at <https://www.gpo.gov/fdsys/pkg/FR-2016-05-18/pdf/2016-11352.pdf>.

Below is a brief synopsis of the rule that was provided by the National Affordable Housing Management Association (NAHMA):

Summary

This proposed rule would require installation of broadband infrastructure at the time of new construction or substantial rehabilitation of multifamily rental units funded by the following programs:

1. Choice Neighborhoods Implementation Grant program;
2. Community Development Block Grant (CDBG) program, including the CDBG Disaster Recovery program;
3. Continuum of Care program;

4. HOME Investment Partnerships program;
5. Housing Opportunities for Persons With AIDS program;
6. Housing Trust Fund program;
7. Project-Based Voucher program;
8. Public Housing Capital Fund program;
9. Section 8 project-based housing assistance payments programs, including, but not limited to, the Section 8 New Construction, Substantial Rehabilitation, Loan Management Set Aside, and Property Disposition programs; and
10. Supportive Housing for the Elderly and Persons with Disabilities program.

The requirements of the proposed rule would not apply to multifamily rental housing that only has a mortgage insured by HUD's Federal Housing Administration or with a loan guaranteed under a HUD loan guarantee program.

HUD is proposing to define broadband infrastructure as cables, fiber optics, wiring, or other permanent infrastructure, including wireless infrastructure, as long as the installation results in broadband infrastructure in each dwelling unit meeting the definition created by the Federal Communications Commission (FCC), which currently is 25 Megabits per second (Mbps) download, 3 Mbps upload. In addition, HUD is proposing that, for programs that do not already have a definition of substantial rehabilitation, substantial rehabilitation be defined as work on the electrical system that is equal to or greater than 75 percent of the cost of replacing the entire electrical system, or when the cost of the rehabilitation is equal to or greater than 75 percent of the total estimated cost of replacing the multifamily rental housing after the rehabilitation is complete.

Comments

In addition to the proposed rule, at large, HUD is specifically seeking comments on the following questions:

1. In light of the policy objectives discussed in the preamble, should this proposed rule be applied to other HUD programs, particularly additional multifamily housing programs (such as Rental Supplement (RS), Rental Assistance Payment (RAP), Moderate Rehabilitation Programs (Mod Rehab), etc.) or programs addressing single-family housing? Should any programs covered by this proposed rule be removed?
2. Given that the definition of the term "substantial rehabilitation" will determine which projects (other than new construction) are affected by this rulemaking, should the definition be changed in any way?
3. How much does it cost to add the installation of broadband infrastructure to a preplanned new construction or rehabilitation project? Are HUD's estimates for the labor and materials costs for installing broadband infrastructure accurate? What data can the public share with HUD about the most cost-effective way for broadband infrastructure to be installed during a new construction or rehabilitation project?
4. The proposed rule provides exceptions to the requirements if compliance would be infeasible due to cost, location, or structural concerns. Are these exceptions too broad or

too narrow? What is the best way for grantees to demonstrate to HUD that installation of broadband infrastructure is infeasible, and what would appropriate sanctions be if grantees do not comply even if it was feasible? Do any grantees have experience with a project in which installing broadband infrastructure was physically or economically infeasible, and under what circumstances was it infeasible?

5. When evaluating whether the rehabilitation being done meets the threshold in the definition of substantial rehabilitation, should HUD use the pre-rehabilitation estimates for the project alone, or should HUD include increases in rehabilitation costs that arise in the process of rehabilitation?

FAIR HOUSING IN OREGON

Please see the informational website at

<http://www.oregon.gov/ohcs/pages/equal-access-to-housing-in-oregon.aspx>

INDUSTRY TRAINING OPPORTUNITIES

- Many training opportunities can be found online by using one of the search engines. Examples include, but are not limited to, Oregon AHMA training classes and Conference, Quadel Consulting, and NCHM.
- The following link will take you to a Calendar of Events on the HUD RHIIP website (go to RHIIP Support and Training at the bottom of the page):
http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/rhiip/mfhrhiip

If you have problems with any of the links in this memo, try the following:

- 1. First, hold down the Ctrl key and click on the link, or***
- 2. If #1 did not work, highlight the link and copy/paste it into the browser address bar.***
- 3. OHCS Section 8 memos are posted to the OHCS website at***
<http://www.oregon.gov/ohcs/Pages/hca-communication-memos.aspx>.
(There is a delay in posting the new memos.)