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October 5, 2009

The Honorable Peter Orszag
Director
The Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Director Orszag,

On behalf of the National Affordable Housing Management Association (NAHMA), I would like to comment on the American Recovery and Reinvestment Act's (ARRA) extensive reporting requirements to certain owners of Project-Based Section 8 rental housing. We believe the legislative intent and valid policy considerations justify exempting affordable housing providers who received ARRA's project-based Section 8 funding from the Act's Section 1512 reporting requirements.

NAHMA is a trade association that represents management agents and owners involved in federal rental assistance programs, including the low-income housing tax credit program. Executives of property management companies, owners of affordable rental housing, public agencies and vendors that serve the affordable housing industry constitute our membership.

The appropriations for Project-Based Section 8 in ARRA were used to meet the Department of Housing and Urban Development's (HUD) contractual obligations to provide a full 12-month subsidy for its 12-month housing assistance payment (HAP) contracts with multifamily property owners. For the last few years, the program has experienced chronic budget shortfalls that resulted in late or partial subsidy payments to owners because HUD did not request enough money to fully fund the program. This funding was absolutely necessary not only to meet HUD's contractual payment obligations in FY 2009, but also to restore owners' confidence in the Project-Based Section 8 program, and to allow sound operation of the affected properties.

HUD field staff has informed 5,700 properties, including a number of NAHMA members, that they will be required to comply with Section 1512's ARRA reporting requirements because HUD used a portion of the \$2 billion to fund their contract shortfalls. However, there are a number of policy distinctions between ARRA's project-based Section 8 appropriations and other funding opportunities under the law. First, owners did not apply to receive these Section 8 funds. These funds were never competitively awarded through an application process. Likewise, the Section 8 appropriations were not used to fund a new program. HUD was instructed to use these appropriations to cover budget shortfalls in an existing program, which had been chronically under-funded. These funds were used to meet the Department's *existing contractual obligations* to provide a full 12 months of subsidy for its 12-month HAP contracts with multifamily property owners.

NAHMA respectfully requests that OMB reconsider its determination and allow HUD to grant a waiver to the Project-Based Section 8 owners from the Section 1512 reporting requirements.

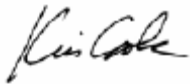
At the very least, NAHMA would like to request OMB extend the deadline for Project-Based Section 8 owners to complete the reporting requirements. The filing period for the first quarter of ARRA funding disbursement is October 1 through October 10, 2009. However, HUD only began formally notifying the PROTECTING THE INTERESTS OF AFFORDABLE HOUSING PROPERTY MANAGERS AND OWNERS

properties that received ARRA funding of their reporting obligations two weeks ago. Our members are extremely concerned they will not have enough time to comply with the October 10th deadline.

NAHMA members are experiencing problems while completing the registration process for the filing requirements. Recipients must register on three different programs: the Dun and Bradstreet business database for a D-U-N-S number, the Central Contractor Registry (CCR), and federalreporting.gov. The majority of the problems reported are with the CCR. First, NAHMA members have had problems accessing the site and completing registration. Second, all three registration websites have a minimum one to two business days wait before a registration becomes active. If the agencies operate in a timely manner, the minimum wait to obtain all three registrations is three to six business days. However, some NAHMA members have reported waiting periods as long as eight business days for CCR to activate the registration. In addition, federalreporting.gov will not allow an individual contact to list multiple properties. There must be a separate point of contact for each property. We are concerned that many affordable housing providers may not complete the reporting requirements by October 10.

In closing, NAHMA would like to request OMB to reconsider its decision and allow HUD to provide a waiver to Project-Based Section 8 property owners who received ARRA funding. At the very least, NAHMA would strongly suggest OMB extend the reporting period in order to ensure enough time for all property owners to comply with the ARRA reporting requirements. Thank you in advance for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Kris Cook".

Kris Cook, CAE
Executive Director