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March 30, 2016

Office of Multifamily Housing Programs  
Department of Housing and Urban Development  
451 7th Street SW  
Washington, DC 20410-0500

**RE: Family Self Sufficiency Program in Multifamily**

Thank you for the opportunity to comment on this notice. The National Affordable Housing Management Association (NAHMA) supports the Department's efforts to increase access to self-sufficiency programs for low-income families by expanding the Family Self Sufficiency (FSS) program to properties assisted through HUD's Office of Housing. NAHMA envisions this program as an opportunity for tenants to improve their lives, and we commend HUD for allowing owners to voluntarily participate. With additional clarification on specific requirements, HUD can assist participating owners in understanding all aspects so that they can successfully implement an FSS program.

NAHMA is the leading voice for affordable housing management, advocating on behalf of multifamily property managers and owners whose mission is to provide quality affordable housing. NAHMA supports legislative and regulatory policy that promotes the development and preservation of decent and safe affordable housing, is a vital resource for technical education and information and fosters strategic relations between government and industry. Founded in 1990, NAHMA's membership today includes the industry's most distinguished multifamily owners and management companies.

**Use of Residual Receipts**

To establish an FSS program at their property, owners may use residual receipts to fund coordinators. This notice cross-references Policy Notice H-2012-14, which sets out policies and procedures for the use of residual receipts to offset housing assistance payments (HAP) at certain project-based Section 8 properties. Under Policy Notice H-2012-14, receipts greater than \$250 per unit may be used to fund a HUD-approved service coordinator program. However, the FSS Program in Multifamily notice states that "there is no account minimum that must be maintained before owners can use available funds [from residual receipts]."

HUD should clarify if the FSS Program in Multifamily notice explicitly waives the \$250 per unit threshold for a service coordinator program as mandated in Policy Notice H-2012-14. While

NAHMA appreciate HUD's effort to give owners flexibility in beginning their own FSS program, a threshold for residual receipt usage to pay coordinator salaries should be considered. Without a target funding threshold, owners and managers may not engage an FSS program because it could jeopardize their ability to pay for emergency expenses.

### **Coordinator to Participant Ratio**

The notice outlines that Owners may use available residual receipts to support the position of the program coordinator. It further states that owners must maintain an acceptable coordinator to program participant ratio within nine months of the residual receipts approval date and on an ongoing basis thereafter. NAHMA recommends that HUD provide additional clarification on the acceptable coordinator to program participant ratio.

Section IV.B.3 states that the first full-time FSS Program Coordinator should be able to serve *approximately* 25 individual participants and each subsequent program coordinator should be able to serve *approximately* 50 individual participants. HUD should definitively clarify the ratio so that owners can properly plan for staffing needs. For the Office of Public and Indian Housing, HUD provides detailed information on the minimum program size for Public Housing Authorities participating in a FSS program (see CFR 984.105).

### **Termination of the FSS Program**

In Section VI of the notice, HUD states that it may terminate a property's FSS program should the owner fail to timely submit its quarterly reports or fail to maintain proper documentation. The Department notes that it anticipates an infrequent amount of noncompliance and that the Department will make every effort to work with the owner to correct the problems before an FSS program is terminated.

To ensure the utmost compliance with the FSS requirements, HUD should clarify thresholds for noncompliance. For example, HUD should specify the maximum amount of time that owners will be given to correct FSS program issues and information on any rights to appeal HUD decisions. NAHMA agrees with HUD that owners who voluntarily create an FSS program at their property will more than likely satisfy all program requirements, but the Department should still provide a more detailed summary of the noncompliance thresholds that could lead to FSS termination.

### **Conclusion**

NAHMA strongly supports HUD's decision to allow owners of properties assisted through the Office of Housing to voluntarily administer an FSS program. Participation in these programs could offer tenants a clear path in becoming more self-sufficient. Also, FSS programs could help individual tenants and families exit assisted housing programs so that others in need may find a home. With additional clarification on the funding mechanisms for coordinators, the amount of participants a coordinator should manage and what actions may lead to program termination, HUD can further increase participation and assist owners in designing their own FSS program.

Thank you for your consideration of NAHMA's comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Kris Cook". The signature is fluid and cursive, with the first name "Kris" being more prominent than the last name "Cook".

Kris Cook, CAE  
Executive Director