

NAHMA Government Affairs RoundUp: May 2018

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Department of Housing and Urban Development

- **May 24: Annual Base City High Cost Percentages and Per Unit Limit for Substantial Rehab**

HUD released [designations](#) for Annual Base City High Cost Percentages and High Cost Areas for maximum mortgage amounts for the FHA Multifamily Housing Programs. The threshold for a High Cost Area has been set for all areas with a “calculated” High Cost Percentage (HCP) of 292.54 or greater. In addition, the 2018 base amount per dwelling unit to determine substantial rehabilitation for FHA insured loan programs has been adjusted to \$15,636.

- **May 23: HUD withdraws Fair Housing Assessment Tool; Solicits Comments for Tool Improvements**

HUD’s Notice [withdrew](#) the current version of the assessment tool used by local governments to submit Assessments of Fair Housing (AFH) on the basis that the tool is unduly burdensome and ineffective (the assessment tool used by PHAs, States, and Insular Areas is unaffected by the Notice). The Notice also solicits comments and suggestions geared toward making the Local Government Assessment Tool workable and effective – [please submit any comments to us on improvements for the Assessment Tool by July 16, 2018](#).

- **May 23: HUD withdraws Deadline Extension to submit Assessments of Fair Housing**

Earlier this year, HUD extended the timeframe for local government Consolidated Plan program participants to submit Assessments of Fair Housing (AFH) under AFFH regulations. HUD’s [Notice](#) withdraws that extension. With the withdrawal of both the deadline submission extension and the tool for submitting AFHs, HUD [reminds](#) Consolidated Plan program participants that have not yet submitted an AFH to continue carrying out duties to affirmatively further fair housing, such as through the use of an “analysis of impediments to fair housing choice” (AI).

- **May 22: Implementation of the Federal Fiscal Year (FFY) 2018 Funding Provisions for the Housing Choice Voucher Program**

HUD’s implementation [notice](#) for the Fiscal Year 2018 Appropriations Act provides information on how HUD calculates renewal funding for each PHA’s HCV program, including HAP Renewal Funding, Tenant Protection Vouchers (TPV), Administrative Fees, Mainstream Program, Tribal HUD-VASH Renewals, Veterans Affairs Supportive Housing (VASH), and the Family Unification Program (FUP).

- **May 23: Senate confirms Brian Montgomery to lead Federal Housing Administration**

After a 6-month hold in the Senate, Congress [approved](#) Brian Montgomery to serve as Assistant Secretary for Housing - Federal Housing Commissioner. The 74-23 vote puts Montgomery at the helm of FHA for the second time; he previously served as FHA Commissioner under George W. Bush and assisted with HUD's recovery efforts following Hurricane Katrina. In the meantime, Montgomery was a co-founder and partner at financial services consulting firm The Collingwood Group.

- **May 22: Registration of Interest for HUD-VASH Vouchers; Consolidation of all Tribal HUD-VASH Program Requirements**

The FY18 Appropriations Act provides funding to support approximately 5,000 new HUD-VASH vouchers, which are administered in partnership with the Department of Veterans Affairs (VA) to enable homeless veterans and their families to access affordable housing with an array of supportive services. HUD will [award](#) tenant-based HUD-VASH to self-identified, interested PHAs based on geographic need. Registrations of Interest are due to HUD by midnight on July 2, 2018. In addition, HUD [consolidated](#) all Tribal HUD-VASH program requirements and established procedures for issuing renewal funding.

- **May 17: New RAD Applications, Closing Webinar, and Closing Guidance**

HUD [released](#) a revised RAD Application for public housing conversions. The slimmed down application focuses on determining project eligibility, understanding the PHA's anticipated conversion plans, and ensuring Board approval and resident consultation. HUD also posted a [webinar](#) providing an overview on how the RAD closing process works, and issued a [memo](#) describing the treatment of RAD Conversion Commitments (RCCs) where there are delays in the submission of the draft closing package.

- **May 17: HUD to seek public comment on Disparate Impact Regulation**

HUD [announced](#) it will seek public comment on its 2013 Disparate Impact Regulation, which provides a framework for establishing legal liability under the Fair Housing Act. Specifically, HUD will seek comments on whether its Disparate Impact Regulation is consistent with the 2015 Supreme Court's Inclusive Communities ruling. NAHMA will share HUD's formal solicitation for public comment once published.

- **May 17: C. Lamar Seats named Deputy Assistant Secretary for Multifamily**

HUD announced a new Deputy Assistant Secretary for Multifamily Housing Programs, C. Lamar Seats. Mr. Seats most recently served as a Managing Director at M&T Realty Capital Corporation, where he was responsible for mortgage banking activities for commercial properties, including multifamily properties. Mr. Seats replaces Acting Deputy Assistant Secretary Bob Iber, who will remain at HUD in a different capacity.

- **May 7: HUD announces HOME and Housing Trust Fund Allocations for FY18**

HUD [released](#) its Fiscal Year 2018 allocations for the Housing Trust Fund, HOME Investment Partnerships, and other block grant programs. The total FY18 allocation of \$266.8 million represents a 22% increase over FY17.

Department of Agriculture – Rural Development

- **May 31: Changes to Eligibility of Certain Rural Areas**

On June 4, 2018, the new ineligible area maps for the Rural Development Multi-Family Housing programs will be updated to the USDA Income and Property Eligibility [Site](#). All properties for new applications must be located in an eligible rural area based on the new eligibility maps. However, a property that is located in an area being changed from rural to non-rural may be approved under the certain circumstances.

- **May 3: NOSA for FY18 Community Facilities Technical Assistance and Training Grant**

USDA's Rural Housing Service (RHS) [announced](#) that it is accepting applications for the Fiscal Year 2018 Community Facilities Technical Assistance and Training Grant Program. The Agency is encouraging applications that will support recommendations made in the Rural Prosperity Task Force [report](#) to help improve life in rural America. Applications are due by July 2, 2018.

Department of the Treasury

- **May 31: IRS publishes revised form with income-averaging option**

Following the authorization earlier this year of the "income-averaging" option for minimum set-aside elections in the Low-Income Housing Tax Credit (LIHTC) program, the IRS [published](#) a revised Form 8609. Form 8609 is used for Low-Income Housing Credit Allocation and Certification and now includes the income-averaging option. The IRS instructions for the form have yet to be updated. FAQs on the new option are available [here](#).

- **May 4: IRS publishes 2018 Population Estimates**

The IRS [published](#) the 2018 Calendar Year Resident Population Figures, which are used by state and local housing credit agencies that allocate low-income housing tax credits and housing bonds to calculate population-based credit ceilings, volume caps, and volume limits. For Calendar Year 2018, the amount for calculating the credit ceiling is the greater of \$2.70 multiplied by the state population, or \$3,105,000. The amount for calculating the volume cap calendar year 2018 is the greater of \$105 multiplied by the state population, or \$310,710,000.