

Multifamily Housing

Partnership Updates – October 13, 2021



MFH Leadership Introduction



Nancie-Ann Bodell
Deputy Administrator



Ernie Wetherbee Field Operations Division Director



Dan Rogers
Production &
Preservation Division
Director



Jennifer Larson
Asset Management
Division Director

MFH Field Operations Division – Regional Directors



Laurie Warzinski

Northeast Regional Director Laurie.Warzinski@usda.gov



Karissa Stiers

Midwest Regional Director Karrisa.stiers@usda.gov



Byron Waters

Southern Regional Director Byron.waters@usda.gov



Becki Meyer

Western Regional Director Becki.meyer@usda.gov

MFH Contact Information



Home

About RD

Programs & Services

All Programs

Browse by State

BioPreferred Program

Business Programs

Community Facilities Programs

Electric Programs

Energy Programs

Single Family Housing Programs

Telecommunications Programs

Water & Environmental Programs

OME - PROGRAMS & SERVICES - MULTIFAMILY HOUSING PROGRAMS

We provide affordable multifamily rental housing in rural areas by financing projects geared for low-income, elderly and disabled individuals and families as well as domestic farm laborers. We extend our reach by guaranteeing loans for affordable rental housing designed for low to moderate-income residents in rural areas and towns.

We preserve our portfolio of more than 14,000 properties by aggressively restructuring loans for existing rural rental housing and off-farm labor housing projects to allow for sufficient reserves to meet major repairs and improvements over the lifetime of the property. On a yearly basis we provide grants to sponsoring organizations to repair or rehabilitate housing for needy families. We also subsidize rents for low-income tenants in our projects who cannot afford to pay their full rent.

If you are interested in one of our programs, select a Multifamily Housing Program from the following list:

- Farm Labor Direct Loans & Grants
- Housing Preservation & Revitalization Demonstration Loans & Grants
- Multifamily Housing Direct Loans
- Multifemily Housing Loan Guarantees
- . Multifamily Housing Rental Assistance

- Central Phone Number
 - 800-292-8293
- MFH Website
 - Direct Web Address:
 https://www.rd.usda.gov/multifamily
 - MFH Organization
 Structure is located on the bottom of the site and is updated bi-weekly.

MFH Contact Information

Services

Cooperative Services

Newsroom

Resources

Contact Us

Multifamily Housing Contacts

Our Field Operations Division maintains local relationships through regionally organized servicing teams and handles all day-today servicing of Multifamily housing properties to ensure that tenants have safe and affordable housing. The four regions and the contact information for each Regional Director follows:

Western Region: Becki Meyer, Regional Director, MFHFODWest@usda.gov (AK, AZ, CA, CO, HI, ID, MT, NM, NV, OR, UT, WA, WV)

Southern Region: Byron Waters, Regional Director, <u>MFHFODSouth@usda.gov</u> (AL, AR, FL, GA, KY, LA, MS, NC, OK, PR, SC, TN, TX, VI)

Midwest Region: Karissa Stiers, Regional Director, MFHFODMidwest@usda.gov (IA, IL, IN, KS, MI, MN, MO, ND, NE, OH, SD, WI)

Northeast Region: Laurie Warzinski, Regional Director, MFHFODNortheast@usda.gov (CT, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT, WV)

If you need information on a loan transaction currently in process, or have questions on a new transaction, our Production & Preservation Division (PPD) processes, underwrites, and closes all multifamily direct, preservation, and guaranteed loan transactions. PPD will support all the Multifamily Housing Programs, including 515, 538, Multifamily Preservation and Revitalization (MPR), prepayments, and preservation efforts. This division will also oversee Notice of Solicitation of Applications (NOSA) drafting and administration efforts for Farm Labor Housing, Housing Preservation Grants, MPR, technical assistance, and 515. The email contact information for the Production & Preservation Division follows:

Processing and Report Review Branch 1 MFHprocessing1@usda.gov (CT, DE, IA, IL, IN, KS, MA, MD, ME, MI, MN, MO, ND, NE, NH, NJ, NY, OH, PA, RI, SD, VA, VT, WI, WV)

Processing and Report Review Branch 2 MFHprocessing2@usda.gov (AK, AL, AR, AZ, CA, CO, FL, GA, HI, ID, KY, LA, MS, MT, NC, NM, NV, OK, OR, PR, SC, TN, TX, UT, VI, WA, WV)

Multifamily Housing Organizational Structure

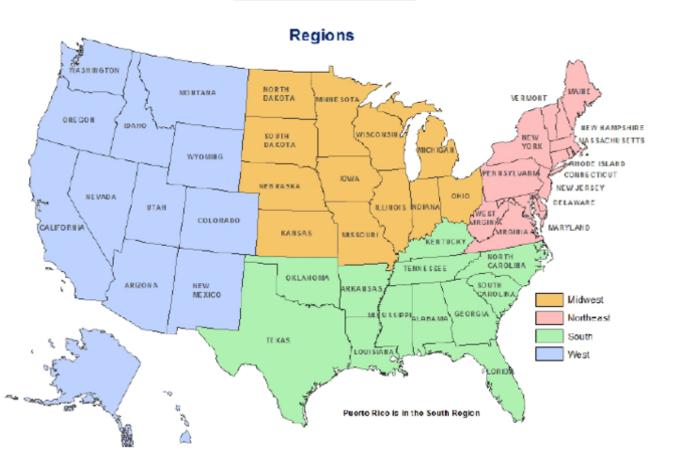
MFH Updates

- ➤ American Rescue Plan (ARP)
- ➤ Budget Reconciliation

MFH Regional Summary

MFH RD Regional Summary

Ernie Wetherbee, Director of the Field Operations Division Ernie.Wetherbee@usda.gov

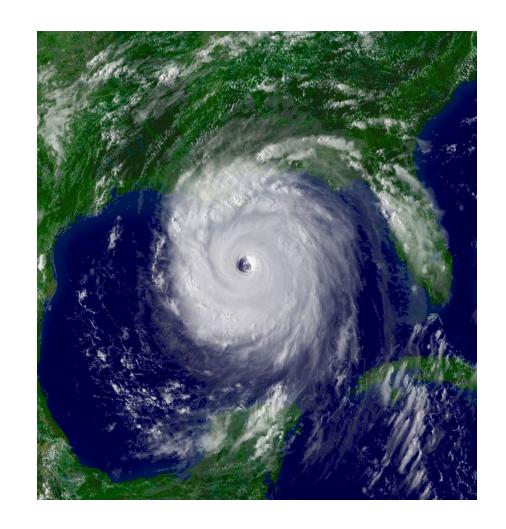


Northeast		
Laurie Warzinski, Regional Director		
<u>Laurie.Warzinski@usda.gov</u>		
2,072 projects	65,749 total units	
	45,116 RA units	
South		
Byron Waters, Regional Director		
Byron.Waters@usda.gov		
5,071 projects	173,162 total units	
	120,220 RA units	

Midwest		
Karissa Stiers, Regional Director		
Karissa.Stiers@usda.gov		
4,255 projects	105,664 total units	
	72,487 RA units	
West		
Becki Meyer, Regional Director		
	Sional Director	
	r@usda.gov	

Emergency Management Notifications

- Coordination with RD Emergency Management Office and FEMA
- ➤ Letter of Priority Entitlement (LOPE)
 - Current USDA RD multifamily tenants displaced by natural disaster are entitled to receive LOPE letter, allowing the household to apply for housing in properties financed by USDA Rural Development or U.S. Housing and Urban Development (HUD).
 - LOPE factsheets are available on the RD website in <u>English</u> and <u>Spanish</u>.



Field Operations Division Updates

- Pandemic Impact on Increased Budgets
 - Excess Cash Due to Shutdown
 - Salary Increases
 - Supply Chain Issues Cost of Materials
- Electronic Customer File (ECF)

Emergency Housing Vouchers (EHVs)

- Meetings with Public Housing Authorities (PHAs)
 - EHVs for USDA Rural Development <u>Frequently Asked Questions</u> link
 - Worried about missed rent payments or eviction? Help is available brochure



United States Department of Agriculture

Rural Development

Multifamily Housing Rural Housing Service

1400 Independence Ave SW Washington, DC 20250 August 5, 2021

Dear Rural Public Housing Authority:

We are reaching out to Public Housing Authorities with geographic coverage alignment with our USDA/Rural Housing Service Affordable Multifamily Housing Programs. In addition to amplifying the availability of existing federal housing resources in rural America, we wanted to take this opportunity to provide you with more information on our Multifamily Programs and existing portfolio.

To maximize delivery of critically needed affordable housing in rural America, we would like to initiate closer partnerships with rural Public Housing Authorities. Enclosed you will find both a brief overview of our existing portfolio and an organizational listing of Rural Housing Service Multifamily Senior Leadership in your jurisdiction. Please reach out to the Director of our field staff, Emie Wetherbee, to begin conversation about how our collective resources might be better leveraged to mission deliver in rural America.

In terms of other existing federal resources currently available, we wanted to highlight the Department of Housing and Urban Development Emergency Housing Vouchers. As you are aware, the Emergency Housing Voucher (EHV) program is part of the American Rescue Plan. EHV's have been awarded to Public Housing Authorities around the country to provide rental assistance for homeless or at-risk of becoming homeless individuals and families, and for those fleeing domestic violence. We have included links below to the most up to date information on the program.

Within the Rural Housing Service multifamily portfolio of affordable rental housing, there are existing vacancies at properties that do not currently benefit from rental assistance. These vacant units are available for occupancy by eligible households that are issued an EHV. Additionally, PHAs will receive a \$100 placement fee to support the initial lease-up costs as well as the added costs to expedite leasing for each EHV leased and reported to HUD in Inventory Management System/PIH Information Center within HUD specified time periods. This fee along with other EHV administrative fees outlined in Section 6 of PIH Notice 2021-15 are intended to help support the PHA in standing-up this program and provide the supportive services for this vulnerable population. We understand that the availability of housing stock to utilize EHV's has been challenging, so this vacant cohort within our portfolio could be targeted for EHV's. Please reach out to Ernie Wetherbee to obtain more information about where these units are located.

The Department of Treasury's Emergency Rental Assistance Program (ERA) program is another key federal response to help tenants cover housing costs and stay in stable housing during the COVID-19pandemic. ERA funds come from the federal government, but local programs distribute the money in their own communities. You are likely aware of this key resource, but we wanted to share the most up-to-date information for your use. Links have been included below.

MINC Home Page / Help Desk

MINC Homepage

https://usdaminc.sc.egov.usda.gov/MFHContact2.asp

Contact Information

- 1-866-600-7984
- multifamily@usda.gov

Contact Us

If you are experiencing problems with the MINC application, we now have a one stop number for you to contact. Please contact us at the Customer Service Center (CSC).

Toll Free Number: 1-866-600-7984

Email: multifamily@USDA.GOV

Hours: Monday through Friday, 7 a.m. to 5 p.m. (Central Standard Time)

Mailing Address: USDA, RD, MFH, PO BOX 979082, ST LOUIS, MO 63197

Please be prepared to provide the following information:

- Management Agent Name
- Management Agent ID
- Contact Person
- Phone Number
- · Description of the Specific Problem

We can assist you with:

- Transmission issues regarding Payments or Tenant Certifications
- Rental Assistance Checks
- Navigating through MINC
- Waivers for Late Fees and Overages
- PAD/EFT
- · Account Status or Delinquencies
- Accessing or Releasing Project Worksheets (PWS)
- Correcting Social Security Numbers

If you have questions about Budget Transmissions, RD Policy or RD-3560 Regulations, please contact your local Servicing Office or State Office.

If you do not have a Level 2 eAuthentication account and wish to obtain one, visit the eAuthentication website. Click the "Create an Account" link and follow the screens. Upon successful completion of creating an account, please follow the instructions sent in the email.

eAuthentication Help documentation is available from this link: https://www.eauth.usda.gov/_GlobalAssets/Documents/USDA_eAuth_FAQ_508.pdf

Includes links/information for:

- "Forgot your User ID"
- "Forgot your Password"
- "Frequently Asked Questions"

The eAuthentication Help Desk is available 1-800-457-3642, Option 1 or eAuthHelpdesk@ftc.usda.gov

Property Assignments

A complete and sortable list of servicing Specialist for a specific property is located here: https://www.sc.egov.usda.gov/data/MFH.html

Multi-Family Housing 514 & 515 Property Assignments

Property Assignments by Region as of 08-17-2021

Click on the Property
Assignment by Region link to
pull a sortable list.



Asset Management Division Updates

- ➤ CDC Temporary Halt in Residential Evictions Status Update
- ➤ Rental Assistance Update
- ➤ Property Insurance Working Group

Section 504 of the Rehabilitation Act of 1973 Compliance in Rural Development Multi-Family Housing Properties

PURPOSE

This Unnumbered Letter (UL) provides clarified guidance for complying with the requirements of Section 504 of the Rehabilitation Act of 1973 (Section 504). The Uniform Federal Accessibility Standards (UFAS), and Departmental Regulation 7 CFR 15b as it pertains to Rural Development Multi-Family Housing (MFH) Section 514, Section 515, Section 516, and Section 521 housing programs which is required by 7 CFR 3560.2.

Current UL expired on January 31, 2021.

Updated UL will be released soon via GovDelivery.



Unnumbered Letters

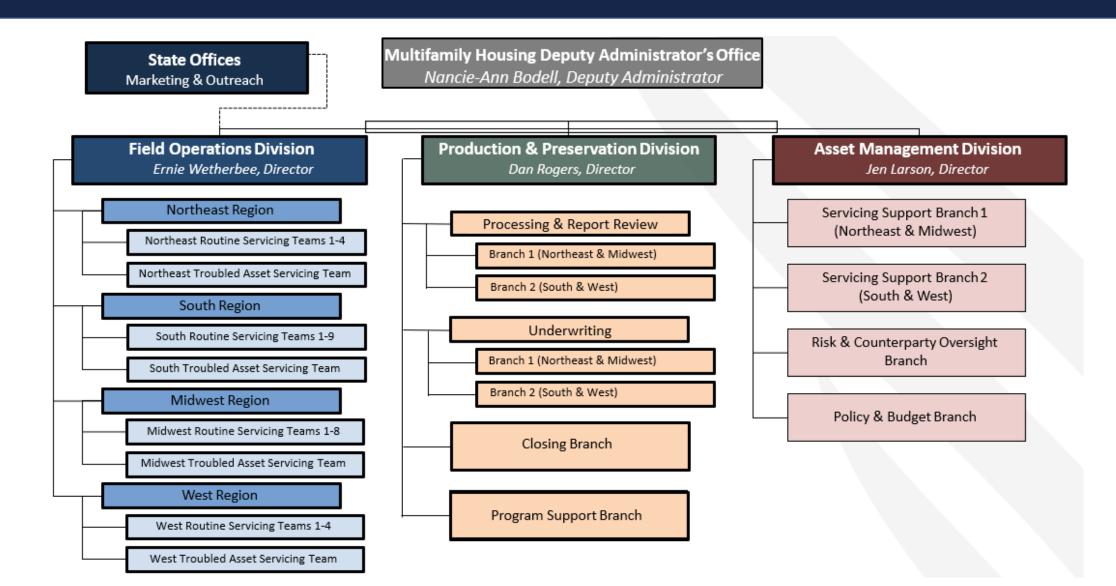
- ➤ ManagementFeePN published 9/2/2021
 - UpdatedAttachment 3-F
- > See RD Directives website:

https://www.rd.usda.gov/resources/directives/unnumbered-letters

State of Production & Preservation (P2) Priorities, Goals, and Objectives

- Transition into the New Model
 - Key Staffing Updates
- Multifamily Housing Transfer Tool
- Preservation Strategy for the 515 Portfolio
- MPR Pipeline
- Updated NOSA / NOFA Schedule
- Stakeholder Outreach, Input, Source Leveraging
 - QAP Preservation Priority Ranking
 - USDA Funding / QAP Compatibility
- Quick Hits

Multifamily Housing



Multifamily Housing Transfer Tool

- Driven by Industry Feedback and Collaboration with External Partners
- Provides Internal and External Guidance on Various Transfer Types:
 - Organizational Changes
 - Deceased Borrowers
 - Transfer of Ownership
- Identifies:
 - Which Division is Responsible for Applicable Tasks (AMD, FOD, P2)
 - Application Portals
 - Contact Information / Email Addresses / Mailboxes
- Consolidated Resources
 - Handbook Links
 - Regulations
 - Instruction Portals
 - FAQs

Preservation Strategy for 515 Portfolio

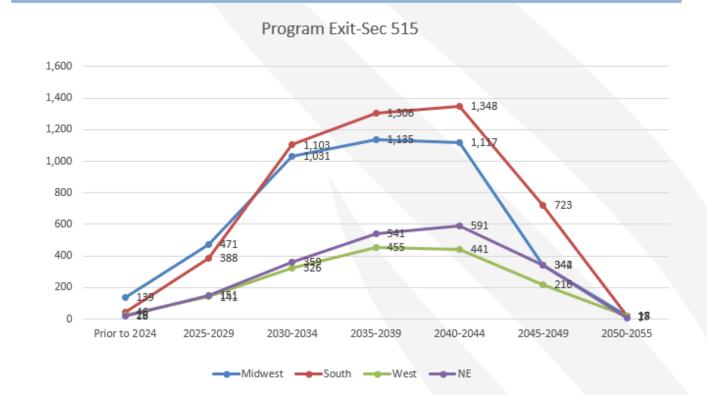
- Enhanced Collaboration with Asset Management and Field Operations
 - Forecast Mortgage Maturity, Expiration of Affordability
 - Analysis of Other Preservation- and Recapitalization-driven Factors
 - Identify Anticipated Budgetary Needs Based on Forecast
 - Factor in a Risk-rank Approach to Preservation
- Continue Advocacy to Decouple Rental Assistance from 515 Financing
- Preservation Fund (Additional Rental Assistance)

Preservation Strategy for 515 Portfolio Mission Risk – Program Exit by Program and Region **Data as of December 31, 2020**

Section 515

Estimated Program Exit Year Range	Midwest	South	West	NE
Prior to 2024	139	46	26	18
2025-2029	471	388	141	151
2030-2034	1,031	1,103	326	359
2035-2039	1,135	1,306	455	541
2040-2044	1,117	1,348	441	591
2045-2049	342	723	216	344
2050-2055	18	18	17	7
TOTAL	4,253	4,932	1,622	2,011

Maturity of loans based on servicing regions and program



MPR Transactions (2018 – present) Multifamily Housing Preservation and Revitalization Demonstration Program

Approved to Date (2018 – Present)

Transactions	Agency Debt Deferral	0% Loans	Grants	Soft Second Loans
218	\$120,345,988	\$25,824,144	\$657,110	\$89,794,514

MPR Pipeline

Transactions	Anticipated Need
171	~\$300 million

Next Steps:

- Address MPR Pipeline when funds are available
- MPR No-Cost Debt Deferral NOSA: Target Date of December 1, 2021
- Enhance MPR Delivery / AMD & FOD Coordination as part of Preservation Strategy

Status of P2 NOSAs, NOFAs, & RFPs

NOSA / NOFA / RFP	Status
Off-Farm Labor Housing New Construction Round 1	
Housing Preservation Grant	Published 06/02/2021 (Migration to SFH, 9/26)
Off-Farm Labor Housing New Construction Round 2	Published 08/03/2021 (Opened 9/1, closes 11/1)
MFH NP Tech Assistance Grant	Target Publication Date 10/31/2021
MPR Demonstration / Debt Deferral	Target Publication Date 12/01/2021
Off-Farm Labor Housing Repair	Target Publication Date 12/01/2021
Off-Farm Labor Housing New Construction Round 3	Target Publication Q1 CY2022

Production & Preservation (P2) Stakeholder Outreach / Source Leveraging

- Preservation Priorities in Qualified Allocation Plans
 - Outreach to HFAs / State Agencies Regarding Priority Preservation
 - Available Strategies
 - Input from USDA on Attributes of Priority Assets
 - Set-aside for RD-assisted Preservation
- USDA Funding Round / QAP Compatibility
 - Synchronize NOFA / NOSA Cycles with Other Public Lending Cycles
 - Modifying NOFA / NOSA Language
 - Modifying USDA / RD Award Letters

Production & Preservation (P2) Quick Hits Develop Critical Infrastructure and Process Improvements

- CYE Management of P2 Pipeline
- Incorporating Administration's Priorities in NOFAs / NOSAs (Abby Boggs, Jonathan Bell, Martha Hanson, Stephanie Vergin, Christa Lindsey, Carlton Jarratt, Fallan Faulkner)
 - Assisting Rural communities recover economically from the impacts of the COVID-19 pandemic, particularly disadvantaged communities;
 - Ensuring all rural residents have equitable access to RHS programs and benefits from RHS funded projects; and
 - Reducing climate pollution and increasing resilience to the impacts of climate change through economic support to rural communities.
- Credit Report Fees (Dean Greenwalt)
 - Regulation and Handbook Changes
 - Transfers responsibility of Credit Report procurement from MFH during application process to applicant as part of required application documentation

Production & Preservation (P2) Quick Hits Develop Critical Infrastructure and Process Improvements

- 538 Guaranteed Fee Reduction (Abby Boggs, Tammy Daniels)
 - Examining Across-the-Board Reduction in Fees
 - Deeper Reduction for Properties that Feature:
 - 538 New Construction / Sub Rehab with Energy Efficiency / Green Components
 - Preservation of Existing 515, 514 / 516 Assets
 - Workforce Housing
- CNA Term Modification (Martha Hanson, Carlton Jarratt)
 - 15-Year Term vs. 20-Year Term
 - PAT Compatibility
 - Industry Feedback on Functionality
 - Further Develop Standards for CNAs, CNA Providers

FY22: The Year of Baseline Data

- Collect Baseline Data to Analyze and Forecast Predictability
- Incorporate FY22 Baseline Timeframes into Programmatic Processing Timeframes
- Establish Timeframes as Formal Goals for USDA P2
- Modify as Appropriate When Performance Indicates Timeframes Can Be Shortened
 - Goals:
 - Eliminate Lingering Non-responsiveness to Industry
 - Substantially Decrease Processing Timeframes

Questions?

Submit Questions to: Daniel.Rogers2@USDA.gov

Submission of Questions

The four regions and the contact information for each Regional Director follows:

Western Region: Becki Meyer, Regional Director

MFHFODWest@usda.gov

(AK, AZ, CA, CO, HI, ID, MT, NM, NV, OR, UT, WA, WY)

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MFHFODSouth@usda.gov

(AL, AR, FL, GA, KY, LA, MS, NC, OK, PR, SC, TN, TX, VI)

Midwest Region: Karissa Stiers, Regional Director

MFHFODMidwest@usda.gov

(IA, IL, IN, KS, MI, MN, MO, ND, NE, OH, SD, WI)

Northeast Region: Laurie Warzinski, Regional Director

MFHFODNortheast@usda.gov

(CT, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT, WV)

GovDelivery

What is GovDelivery?

GovDelivery is a marketing platform and communications cloud custom-built for government. It allows the USDA Rural Development Multifamily Housing to easily provide program updates to our partners across the country via email.

We will be using GovDelivery for all general Multifamily Housing updates.

To ensure you are receiving these updates, please sign-up for GovDelivery at https://public.govdelivery.com/accounts/USDARD/subscriber/new?topic_id=USDARD
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