Multifamily Housing
Partnership Updates – April 20, 2022

USDA **Rural Development**
U.S. DEPARTMENT OF AGRICULTURE

MFH Leadership Introduction
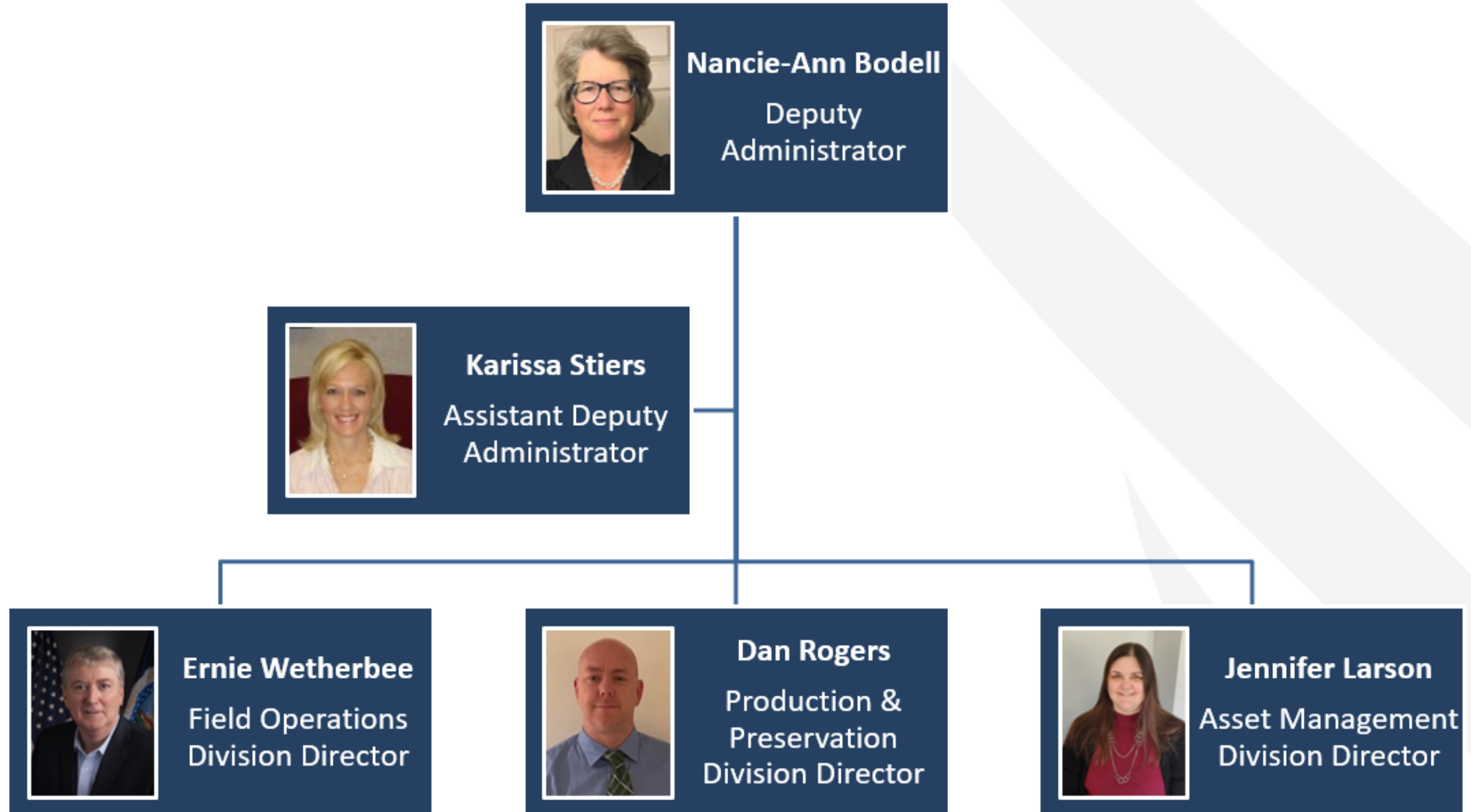
MFH Field Operations Division – Regional Directors

Laurie Warzinski

(Acting) Midwest Regional Director

Laurie.Warzinski@usda.gov

Donna O'Brien

(Acting) Northeast Regional Director

Donna.Obrien@usda.gov

Byron Waters

Southern Regional Director
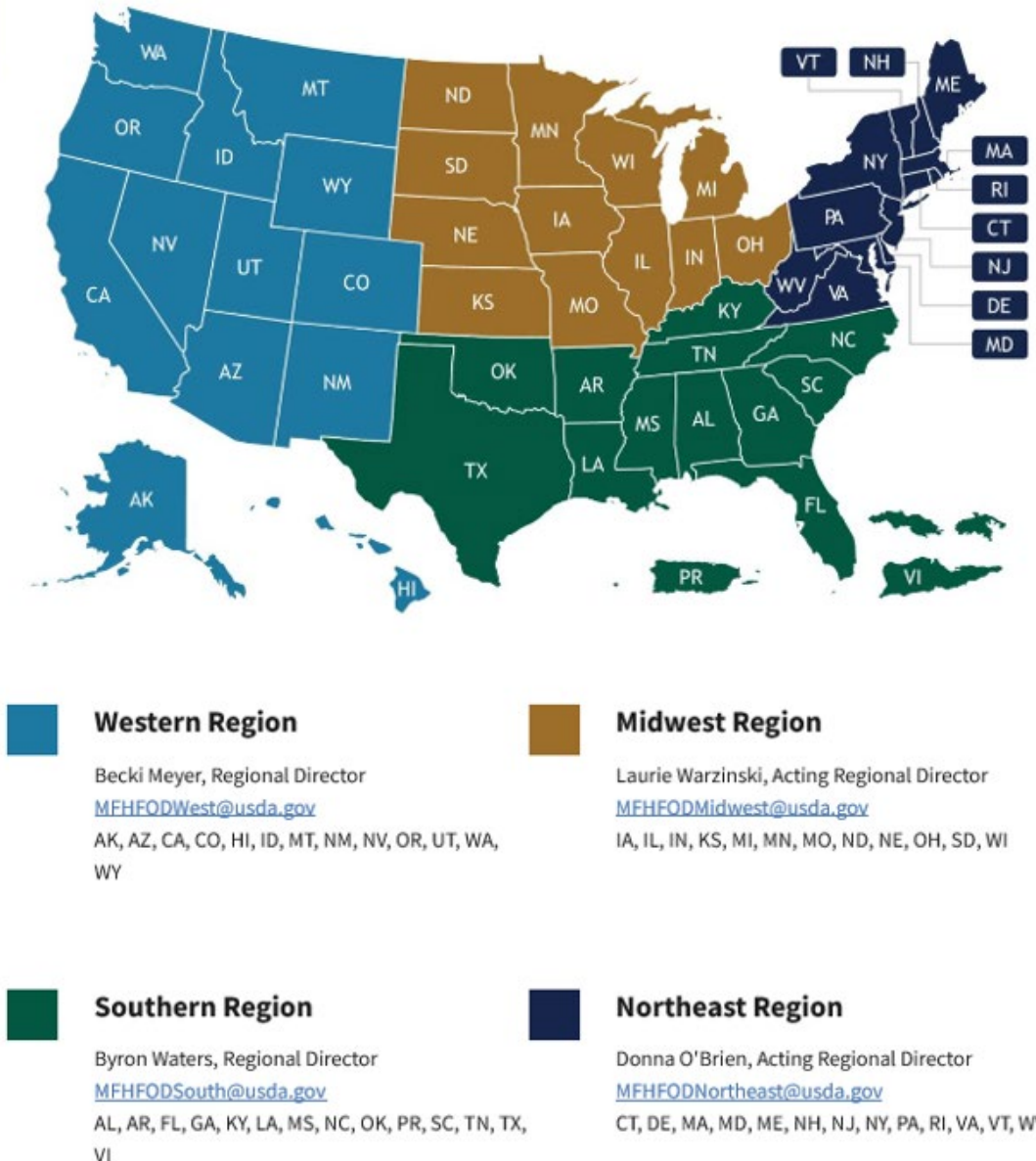
Byron.waters@usda.gov

Becki Meyer

Western Regional Director

Becki.meyer@usda.gov

MFH Contact Information

➢ 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.

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, WY

Midwest Region
Laurie Warzinski, Acting Regional Director
MFHFODMidwest@usda.gov
IA, IL, IN, KS, MI, MN, MO, ND, NE, OH, SD, WI

Southern Region
Byron Waters, Regional Director
MFHFODSouth@usda.gov
AL, AR, FL, GA, KY, LA, MS, NC, OK, PR, SC, TN, TX, VI

Northeast Region
Donna O'Brien, Acting Regional Director
MFHFODNortheast@usda.gov
CT, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT, WV

Field Operations Division Updates

- Electronic Customer File (ECF)
  - Transition to 100% electronic correspondence

- Federal Records Center (FRC)

- Physical Inspections

- Supervisory Visits

- Return to the Physical Workplace

Field Operations Division Updates

➤ Budgets
- Overview of 1st Quarter Budget Review
- Fiscal Year End 2021 Financials – Annual Reporting Requirements

Field Operations Division Updates

Table 1 FY2022 MFH Budget Review Status as of 4/19/2022

	Midwest	Northeast	South	West	Nationwide
Total Budgets Received	3,820	1,895	4,660	1,706	**12,081**
Total Budgets Reviewed	3,688	1,867	4,592	1,658	**11,805**
Budgets Approved	3,513	1,786	4,529	1,638	**11,466**
Budgets Denied	175	81	63	20	**339**
Rollover Budgets Automatically Approved	251	84	171	37	**543**
Outstanding Budgets to be Reviewed	132	28	68	48	**276**
Budgets Transmitted Prior to 11/1/2021					
Total Budgets Received	3,158	1,585	4,119	1,308	**10,170**
Total Budgets Reviewed	3,112	1,583	4,101	1,308	**10,104**
Outstanding Budgets to be Reviewed	46	2	18	0	**66**

FY 2022 Budget Reviews

- 12,302 or 96.5% of all budgets are due during the months of October through December.
- 11,805 or 97.7% of all budgets received by the Agency have been reviewed. Additionally, 543 budgets were automatically approved.
- Overall, the Agency approved 97.1% of all budgets, with a 2.9% denial rate.

Field Operations Division Updates

Table 2 FY2022 Percent of MFH Approved Rental Changes as of 1/25/2022

	Midwest	Northeast	South	West	Nationwide
Rent Change	72.4%	78.8%	83.3%	77.0%	**78.6%**
No Rent Increase	27.3%	20.9%	16.1%	21.7%	**20.8%**
Incomplete Rent Data	0.3%	0.3%	0.6%	1.3%	**0.6%**
Rent Change					
Rent Reduction	1.6%	0.5%	0.6%	0.8%	**0.9%**
Less than $25	57.0%	60.0%	53.9%	20.9%	**51.0%**
$25-50	35.1%	32.8%	39.6%	48.2%	**38.6%**
$51-75	4.5%	4.0%	2.1%	15.5%	**5.0%**
$75+	1.8%	2.7%	3.9%	14.7%	**4.7%**
Average Rents	$546.21	$726.23	$581.80	$805.85	**$628.90**
Average Rent Change	$23.40	$25.54	$26.41	$45.81	**$28.25**
Percent Change from Previous Year	4.4%	3.6%	4.7%	5.9%	**4.7%**

Table 3 FY2022 MFH Budget Review Length as of 1/25/2022

	Midwest	Northeast	South	West	Nationwide
Average Review Time in Days	44.6	49.2	49.1	32.5	**45.4**
Percent of Budgets Reviewed					
0-30 Days	37.3%	23.5%	28.4%	52.1%	**33.7%**
31-60 Days	34.7%	40.4%	34.5%	35.8%	**35.7%**
61+ Days	28.0%	36.0%	37.1%	12.0%	**30.6%**

FY 2022 Budget Reviews

- 78.6% of all approved budgets received an approved rent change.
- 48.3% of those budgets with an approved rent change received a rent increase greater than $25.
- The average rent increase for FY2022 was $28.25 compared to $22.15 and $20.61 in FY2021 and FY2020.
- The average budget review period was 45.4 days. With 69.4% of all budgets reviewed in 60 days or less.

Field Operations Division Updates

FY 2022 Annual Report Reviews

- A majority of Annual Reports are due by March 31 of each year.
- Currently, 1,891 reports have been reviewed account for 19% of those received. Of the reviewed reports 96.4% have been reviewed in under 60 days.
- 1,416 Annual Report or 12.4% are overdue with regards to submission by the borrower.

FY2022 Annual Reports (Due 10/1/2021-09/30/2022)

	Total Number of Reports for FY2022				Reports Reviewed through Initial Reviewed Stage in MFIS					Outstanding Reports to Review			
	Total Number of Reports Due	Number of Reports Outstanding	Number of Reports Received	Number of Overdue Reports	Total Reviewed	Precent Complete	Number of Reports Reviewed in Last 7 Days	Reviewed in Less than 60 days	Review Completed in Over 60 Days	Total Reports Awaiting Agency Review	0-30 Days	31-60 Days	Over 60 Days
Midwest	4,130	408	3,332	390	644	19%	177	631	13	2,688	2,269	316	92
Northeast	2,013	246	1,529	238	381	25%	93	371	10	1,148	865	242	33
South	4,947	654	3,926	367	429	11%	137	416	13	3,497	2,867	474	149
West	1,829	202	1,206	421	437	36%	116	404	33	769	669	38	54
Total	**12,919**	**1,510**	**9,993**	**1,416**	**1,891**	**19%**	**523**	**1,822**	**69**	**8,102**	**6,670**	**1,070**	**328**

** Reviewed is defined as coded initial reviewed in MFIS

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 03-02-2022

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

Asset Management Division

- Management Fee Survey going out soon

- Physical Inspection Pilot Program update

- System for Awards Management (SAM) registration letters going out this month (requirement: borrowers to switch from DNB numbers to SAM registration)

- Training Resources for external partners

  - Budget Training to be provided by Policy & Budget Branch
  - Trainings provided by industry groups:
    - Council for Affordable and Rural Housing (CARH)
    - Housing Assistance Council (HAC)
    - National Center for Housing Management
    - US-Housing Consultants
    - Spectrum/STAR

Asset Management Division: Upcoming Guidance/ Policy

- Upcoming:
  - FY2022 Management Fees – Procedural Notice
  - Rural Development Voucher Program Proposed Rule

- Published:
  - Rental Assistance and Asset Management Technical Corrections Final Rule of MFH Direct Loan Programs published March 1, 2022 – Proposed Rule

ULs are posted on the RD Directives website:
https://www.rd.usda.gov/resources/directives/unnumbered-letters

Production & Preservation Division

Multifamily Partnerships Meeting
4/20/22

Dan Rogers, Director
Daniel.Rogers2@usda.gov

Stephanie Vergin, Capital Sourcing Officer
Stephanie.Vergin@usda.gov

Production & Preservation Funding Rounds

Complete	
Off-Farm Labor Housing New Construction Round 1	Awards Announced 9/30/2021

Open / Active	
Off-Farm Labor Housing New Construction Round 2	Closed: 11/1/21, Final Apps Due: 5/2/22
Off-Farm Labor Housing New Construction Round 3	Publication Date: ~April 21, Apps Due: 5/16
MFH NP Transfer Tech Assistance Grant	Closed: 2/8/22, Awards Announced ~May
FLH Technical Assistance Grant	Closed 3/21/22, Awards Announced ~June
Off-Farm Labor Housing Repair	Publication Date: 3/9/22, Closes: 5/9/22
MPR No-Cost Debt Deferral NOSA	Publication Date: 3/15/22, Closes: 5/16/22
Section 538 Guaranteed Loan Program	Ongoing Applications / Rolling

Priority Initiatives

❖ **538 Guaranteed Fee Reduction**
- Status: Issued March 3, 2022
- Effective: April 4, 2022
- Implemented Across-the-Board Reduction in Initial and Annual Fees
  - Initial Fee: 100 basis points to 65/60 basis points
  - Annual Fee: 50 basis points to 35/25 basis points
- Deeper Fee Reduction for Applications that Feature:
  - Workforce Housing (80%-115% AMI)
  - 538 New Construction / Sub Rehab with Energy Efficiency / Green Components
  - Preservation of Existing 515, 514 / 516 Assets

❖ **Farm Labor Housing Funding Gaps**
- Transparent organization of transactions into "3 buckets" to address cost overruns:
  - Properties that have closed and are eligible for Subsequent Loan
  - Properties that have not closed but can be assisted under applicable NOSA
  - Properties that have not closed and cannot be assisted under applicable NOSA
- Enhanced communication to industry partners
- Industry Workshop held on April 4 to provide guidance on how to proceed

Priority Initiatives

❖ **Decoupling Section 521 Rental Assistance (RA) from Section 515 Mortgages**
- Enables RA to survive when 515 Mortgage is terminated via prepayment or maturity
- Regulatory oversight survives in Rental Assistance contracts and Restrictive Use Covenant
- Clears title of 515 programmatic encumbrances, eliminating regulatory conflicts with other federal, state, and local programs / sources
- Stand alone contracts can be used to leverage private capital needed to recapitalize asset and preserve affordability
- Legislative authority included in President Biden's FY23 Budget

❖ **Multifamily Housing Transfer Tool**
- Anticipated completion April/May
- Driven by Industry Feedback and Collaboration with External Partners
- Provides Internal and External Guidance on Organizational Changes and Transfers
- Identifies:
    - Application Submission Process
    - Contact Information / Email Addresses / Mailboxes
- Consolidated Resources
    - Handbook Links
    - Regulations
    - Instruction Portals
    - FAQs

Schedule of Events / Workshops / Listening Sessions

Event	Date / Time
MPR No-Cost Debt Deferral NOSA Industry Workshop	Tuesday, 4/5
Addressing Funding Gaps in 515 & FLH Housing	Wednesday, 4/6
FLH Repair NOFA Industry Workshop	Wednesday, 4/13
Off-Farm Labor Housing New Construction Round 3 Workshop	Wednesday, 5/11 @ 2 PM EST

- Industry Workshops are announced on GovDelivery
- P2 invites and encourages all Multifamily Housing staff and industry partners to attend
- PowerPoint presentations are posted on MFH's website under the Events tab for the relevant program: https://www.rd.usda.gov/programs-services/multi-family-housing-programs

Division Directors

Field Operations Division: Ernie.Wetherbee@usda.gov

Asset Management Division: Jennifer.Larson@usda.gov

Production and Preservation Division: 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
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(AK, AZ, CA, CO, HI, ID, MT, NM, NV, OR, UT, WA, WY)

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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?email=&commit=Sign+Up

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