# [***82 FR 45877***](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5PM6-1PG0-006W-824R-00000-00&context=)

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Notices

**Reporter**

82 FR 45877 \*

***Federal Register* > *2017* > *October* > *Monday, October 2, 2017* > *Notices* > *DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) -- Office of the Secretary of Housing and Urban Development***

**Title:** **Notice of Regulatory Waiver Requests Granted for the Second Quarter of Calendar Year 2017**

**Action:**  Notice.

**Agency**

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) > Office of the Secretary of Housing and Urban Development > Office of the General Counsel

**Identifier:** **[Docket No. FR-6035-N-02]**

**Synopsis**

**SUMMARY:** Section 106 of the Department of Housing and Urban Development Reform Act of 1989 (the HUD Reform Act) requires HUD to publish quarterly **Federal Register** notices of all regulatory waivers that HUD has approved. Each notice covers the quarterly period since the previous **Federal Register** notice. The purpose of this notice is to comply with the requirements of section 106 of the HUD Reform Act. This notice contains a list of regulatory waivers granted by HUD during the period beginning on April 1, 2017, and ending on June 30, 2017.

**Text**

**SUPPLEMENTARY INFORMATION:**

Section 106 of the HUD Reform Act added a new section 7(q) to the Department of Housing and Urban Development Act ([*42 U.S.C. 3535(q)*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GV61-NRF4-44DX-00000-00&context=)), which provides that:

1. Any waiver of a ***regulation*** must be in writing and must specify the grounds for approving the waiver;

2. Authority to approve a waiver of a ***regulation*** may be delegated by the Secretary only to an individual of Assistant Secretary or equivalent rank, and the person to whom authority to waive is delegated must also have authority to issue the particular ***regulation*** to be waived;

3. Not less than quarterly, the Secretary must notify the public of all waivers of ***regulations*** that HUD has approved, by publishing a notice in the **Federal Register** . These notices (each covering the period since the most recent previous notification) shall:

a. Identify the project, activity, or undertaking involved;

b. Describe the nature of the provision waived and the designation of the provision;

c. Indicate the name and title of the person who granted the waiver request;

d. Describe briefly the grounds for approval of the request; and

e. State how additional information about a particular waiver may be obtained.

Section 106 of the HUD Reform Act also contains requirements applicable to waivers of HUD handbook provisions that are not relevant to the purpose of this notice.

This notice follows procedures provided in HUD's Statement of Policy **[\*45878]** on Waiver of ***Regulations*** and Directives issued on April 22, 1991 [*(56 FR 16337).*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:3SG3-GX30-005D-W44M-00000-00&context=) In accordance with those procedures and with the requirements of section 106 of the HUD Reform Act, waivers of ***regulations*** are granted by the Assistant Secretary with jurisdiction over the ***regulations*** for which a waiver was requested. In those cases in which a General Deputy Assistant Secretary granted the waiver, the General Deputy Assistant Secretary was serving in the absence of the Assistant Secretary in accordance with the office's Order of Succession.

This notice covers waivers of ***regulations*** granted by HUD from April 1, 2017 through June 30, 2017. For ease of reference, the waivers granted by HUD are listed by HUD program office (for example, the Office of Community Planning and Development, the Office of Fair Housing and Equal Opportunity, the Office of Housing, and the Office of Public and Indian Housing, etc.). Within each program office grouping, the waivers are listed sequentially by the regulatory section of title 24 of the Code of Federal ***Regulations*** (CFR) that is being waived. For example, a waiver of a provision in 24 CFR part 58 would be listed before a waiver of a provision in 24 CFR part 570.

Where more than one regulatory provision is involved in the grant of a particular waiver request, the action is listed under the section number of the first regulatory requirement that appears in 24 CFR and that is being waived. For example, a waiver of both § 58.73 and § 58.74 would appear sequentially in the listing under § 58.73.

Waiver of ***regulations*** that involve the same initial regulatory citation are in time sequence beginning with the earliest-dated regulatory waiver.

Should HUD receive additional information about waivers granted during the period covered by this report (the second quarter of calendar year 2017) before the next report is published (the third quarter of calendar year 2017), HUD will include any additional waivers granted for the second quarter in the next report.

Accordingly, information about approved waiver requests pertaining to HUD ***regulations*** is provided in the Appendix that follows this notice.

Dated: September 26, 2017.

**Beth Zorc,**

*Principal Deputy General Counsel.*

**Appendix**

**Listing of Waivers of Regulatory Requirements Granted by Offices of the Department of Housing and Urban Development April 1, 2017 Through June 30, 2017**

Note to Reader: More information about the granting of these waivers, including a copy of the waiver request and approval, may be obtained by contacting the person whose name is listed as the contact person directly after each set of regulatory waivers granted. The regulatory waivers granted appear in the following order:

I. Regulatory waivers granted by the Office of Community Planning and Development

II. Regulatory waivers granted by the Office of Fair Housing and Equal Opportunity

III. Regulatory waivers granted by the Office of Housing

V. Regulatory waivers granted by the Office of Public and Indian Housing

**I. Regulatory Waivers Granted by the Office of Community Planning and Development**

For further information about the following regulatory waivers, please see the name of the contact person that immediately follows the description of the waiver granted.

* ***Regulation****:* [*24 CFR 91.105(b)(4)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5MFP-DBW0-008G-Y307-00000-00&context=) and [*24 CFR 91.115(b)(4)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5MFP-DBW0-008G-Y308-00000-00&context=).

*Project/Activity:* On December 15, 2016, HUD issued CPD Notice #CPD-16-18 providing procedures for the submission and review of consolidated plans and action plans for FY 2017 funding prior to the enactment of a FY 2017 HUD appropriation bill. These procedures apply to any grantee whose consolidated plan/action plan submission deadline (45 days before the start of the program year) falls either before, or up to 60 days after, HUD's announcement of the FY 2017 formula program funding allocations for CDBG, ESG, HOME and HOPWA formula funding. The Notice advised these grantees not to submit their consolidated plans and action plans until the FY 2017 formula allocations were announced.

*Nature of Requirement:* The provisions at [*24 CFR 91.105(b)(4)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5MFP-DBW0-008G-Y307-00000-00&context=) and [*91.115(b)(4)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5MFP-DBW0-008G-Y308-00000-00&context=) require that grantees provide a period of not less than 30 days during which affected citizens may review and comment on the FY 2017 consolidated plan or action plan prior to its implementation.

*Granted By:* Clifford Taffet, General Deputy Assistant Secretary, Community Planning and Development.

*Date Granted:* May 10, 2017, with corrected waiver on May 18, 2017, for immediate effect.

*Reason Waived:* Under [*24 CFR 91.15(a)(2)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y420-008G-Y3NY-00000-00&context=), HUD cannot accept a consolidated plan or annual action plan submission later than August 16, 2017. If HUD does not receive a consolidated plan or action plan by August 16, 2017, a grantee automatically loses its FY 2017 CDBG funding. Implementation of the procedures provided in HUD Notice CPD-16-18 and the timing of the enactment of the FY 2017 appropriations act leaves insufficient time for grantees to complete the pre-submission or pre-amendment citizen participation publication and comment process before the August 16, 2017 deadline. Given the delay in appropriations and the need for HUD to award funds so that grantees may begin to address their housing and community development needs, HUD waived the requirements in [*24 CFR 91.105(b)(4)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5MFP-DBW0-008G-Y307-00000-00&context=) and [*91.115(b)(4)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5MFP-DBW0-008G-Y308-00000-00&context=) to allow grantees to reduce the public comment period to a minimum of 14 calendar days. This waiver ensures grantees do not lose their FY 2017 funding, while also affording citizens a meaningful public comment period. Any affected grantee taking advantage of this waiver must document in writing the conditions for the need to utilize this waiver and must maintain this documentation for HUD's review. This waiver authority is only in effect until August 16, 2017.

*Contact:* Steve Johnson, Director, Entitlement Communities Division, Office of Block Grant Assistance, Office of Community Planning and Development, 451 7th Street SW., Room 7282, Washington, DC 20410, telephone (202) 708-1577.

**II. Regulatory Waivers Granted by the Office of Fair Housing and Equal Opportunity**

For further information about the following regulatory waivers, please see the name of the contact person that immediately follows the description of the waiver granted.

* ***Regulation****:* [*24 CFR 115.305(a)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5D2S-NT00-008G-Y0WH-00000-00&context=).

*Project/Activity:* Fair Housing Assistance Program (FHAP) agencies nationwide.

*Nature of Requirement:* Special Enforcement Effort (SEE) funds are funds that HUD will provide to an agency to enhance enforcement activities of the agency's fair housing law. SEE funds will be a maximum of 20% of the agency's total FHAP cooperative agreement for the previous contract year, based on approval of eligible activity or activities, and based on the appropriation of funds.

*Granted By:* Bryan Greene, General Deputy Assistant Secretary for Fair Housing and Equal Opportunity.

*Date Granted:* June 5, 2017.

*Reason Waived:* Temporary waiver of the 20 percent limitation on SEE Funds for eligible FHAP agencies whose total cooperative agreement for fiscal year 2016 was less than $ 300,000.

*Contact:* Joseph Pelletier, Director, Fair Housing Assistance Program, Office of Fair Housing and Equal Opportunity, Department of Housing of Urban Development, 451 Seventh Street SW., Room 5206, Washington, DC 20410, telephone (202) 402-2126.

**III. Regulatory Waivers Granted by the Office of Housing--Federal Housing Administration (FHA)**

For further information about the following regulatory waivers, please see the name of the contact person that immediately follows the description of the waiver granted.

* ***Regulation****:* [*24 CFR 200.73 (c)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y3W0-008G-Y137-00000-00&context=).

*Project/Activity:* West Town Housing Preservation, Chicago, Illinois, Project No. 071-35892.

*Nature of Requirement:* HUD's ***regulation*** at [*24 CFR 200.73(c)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y3W0-008G-Y137-00000-00&context=) requiring that "not less **[\*45879]** than five rental dwelling units [of an FHA insured multifamily housing project] shall be on one site. The property is a large, scattered-site portfolio of 68 apartment properties on 68 separate parcels. Forty-eight parcels have at least five units per site, so a majority of the parcels already meet the regulatory requirements. FHA will insure a loan through Section 221(d)(4) program to assist in the purchase and substantial rehabilitation of these properties. The unit counts for the buildings range from two to twelve, for a total of 318 units known as West Town Housing Preservation.

*Granted by:* Dana Wade, Principal Deputy Assistant Secretary for Housing, H.

*Date Granted:* April 12, 2017.

*Reason Waived:* The property is "affordable", and it is in line with HUD's mission to continue to ensure availability for residents in need of subsidized housing. Additionally, the project is zip codes 60622 and 60647, which have seen some of the highest rates of property appreciation over the past several decades in Chicago. The perseveration of these units as affordable housing is urgently needed due to the rapid gentrification that has taken place in the area in recent years. HUD is already subsidizing the property by the Section 8 contracts.

*Contact:* Daniel J. Sullivan, Acting Director, Office of Multifamily Production, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street SW., Room 6134, Washington, DC 20410, telephone (202) 402-6130.

* ***Regulation****:* [*24 CFR 200.73(c)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y3W0-008G-Y137-00000-00&context=).

*Project/Activity:* Fields Corner Granite, FHA Project Number 023-1145, Dorchester, Massachusetts. Rockport Mortgage Company has applied for mortgage insurance under the Section 223(f) program to refinance Fields Corner Granite as a single project.

*Nature of Requirement:* HUD's ***regulation*** at [*24 CFR 200.73(c)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y3W0-008G-Y137-00000-00&context=) which, states that a site must contain no less than 5 rental dwelling units. Section 3.2.O.CC of the MAP Guide permits a project with two or more contiguous parcels of land when the parcels comprise one marketable, manageable real estate entity.

*Granted By:* Dana Wade, Principal Deputy Assistant Secretary for Housing, H.

*Date Granted:* May 17, 2017.

*Reason Waived:* The waiver was granted to allow Fields Corner Granite as a single project since its meet HUD's goal of preserving and maintaining affordable rental housing for low income families. The property consists of 67 units, configured as 1 studio unit, 24 one bedroom units, 24 two bedroom units, 7 three bedroom units, and 11 four bedroom units in the Fields Corner neighborhood of the Dorchester section of Boston. There is a total of 15 buildings situated on 5 sites, and referenced by the assessor as 10 separate parcels. Several of the buildings are located on adjoining sites with some of the structures being attached and sharing common utilities. Three of the sites are in the immediate vicinity of each other. Two sites are located within 11 blocks of each other. The sites have all been managed as a single entity.

*Contact:* Daniel J. Sullivan, Acting Director, Office of Multifamily Production, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street SW., Room 6134, Washington, DC 20410, telephone (202) 402-6130.

* ***Regulation****:* [*24 CFR 200.73 (c)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y3W0-008G-Y137-00000-00&context=).

*Project/Activity:* Camden Townhomes, FHA Project Number 035-35105, Camden, New Jersey. The owner and the proposed lender, Love Funding Company have applied for mortgage insurance under Section 221(d)(4) for the substantial rehabilitation of the Camden Townhouses, supplemented with 4% Low Income Housing Tax Credits and the loan proceeds from the Section 221(d)(4) loan of $ 12,637,200.

*Nature of Requirement:* HUD's ***regulation*** at [*24 CFR 200.73(c)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y3W0-008G-Y137-00000-00&context=) which, states that a site must contain no less than 5 rental dwelling units. Section 3.1.O.l.CC of the MAP Guide permits a project with two or more contiguous parcels of land when the parcels comprise one marketable, manageable real estate entity. Camden Townhouses is an existing 89-unit affordable housing property located in Camden, New Jersey. All 89 units were constructed during the late 19th and early 20th centuries. Thirty two of the eighty-nine units are located on sites that are comprised of five or more units. All units are located within 10 blocks of each other.

*Granted By:* Dana Wade, Principal Deputy Assistant Secretary for Housing, H.

*Date Granted:* June 8, 2017.

*Reason Waived:* The waiver was granted to allow the Camden Townhouses to proceed with an approved new 20-year Section 8 PBV HAP contract. The property will be renovated using New Jersey Housing and Mortgage Finance Agency (NJMFA) 4% LIHTC. The scattered sites were assembled and recognized as a single manageable and marketable development by the New Jersey Department of Community Affairs (NJDCA). The project has been professionally managed as one project since its inception and has one operating budget. The property is "affordable" and it meets HUD's mission to continue to ensure availability for residents in need of subsidized housing. HUD is already subsidizing the property through the Section 8 contracts. The project is in Camden, New Jersey, where the occupancy has remained strong and there is a high demand for affordable rental housing.

*Contact:* Daniel J. Sullivan, Acting Director, Office of Multifamily Production, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street SW., Room 6134, Washington, DC 20410, telephone (202) 402-6130.

* ***Regulation****:* [*24 CFR 266.410(e)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5R5D-0TJ0-008G-Y170-00000-00&context=).

*Project/Activity:* Minnesota Housing Finance Agency's (Minnesota Housing), Risk Sharing Program, St. Paul, Minnesota.

*Nature of Requirement:* The [*24 CFR 266.410(e)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5R5D-0TJ0-008G-Y170-00000-00&context=) Amortization. Requires mortgages insured under the 542(c) Housing Finance Agency Risk Sharing Program to be fully amortized over the term of the mortgage. The waiver would permit Minnesota Housing to provide loans that would have a minimum term of 17 years ("balloon loans"). Minnesota Housing would be able to provide additional financing options to their customers and better align the agency's business practices with industry standards. The waiver would expire on December 18, 2018.

*Granted By:* Dana Wade, Principal Deputy Assistant Secretary for Housing, H.

*Date Granted:* June 19, 2017.

*Reason Waived:* This will reduce Minnesota Housing Finance Agency's cost of capital, which should translate into lower rates for their borrowers, and will support their preservation efforts. Application of this waiver is limited in both time and scope. The Department's exposure is further limited with the condition that Minnesota Housing takes 50 percent or more of the risk on these transactions. Minnesota Housing anticipates that new construction or substantial rehabilitation projects that are awarded Low Income Housing Tax Credits (LIHTC) would use the balloon loan product, as well as clients who have been utilizing other financing option, such as Fannie Mae or Freddie Mac, rather than Risk Share.

Minnesota Housing Finance Agency's waiver approval is subject to the following conditions:

1. Minnesota Housing must elect to take 50 percent or more of the risk of loss on all transactions;

2. The waiver expires on December 31, 2018, or when HUD's proposed rule revision becomes final, whichever event occurs first;

3. All other requirements of [*24 CFR 266.410*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5R5D-0TJ0-008G-Y170-00000-00&context=) remain applicable. The waiver is applicable only for new construction or substantial rehabilitation projects;

4. In accordance with [*24 CFR 266.200(d)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5R5D-0TJ0-008G-Y16J-00000-00&context=), the mortgage may not exceed an amount supportable by the lower of Section 8, or comparable unassisted market rents;

5. If applicable, projects must comply with Davis-Bacon labor standards in accordance with [*24 CFR 266.225*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5R5D-0TJ0-008G-Y16P-00000-00&context=).

6. Minnesota Housing must comply with ***regulations*** stated in [*24 CFR 266.210*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5R5D-0TK0-008G-Y18C-00000-00&context=) for insured advance or insurance upon completion transactions.

7. An Affordable Housing Deed restriction for 20 years must be recorded.

*Contact:* Daniel J. Sullivan, Acting Director, Office of Multifamily Production, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street SW., Room 6134, Washington, DC 20410, telephone (202) 402-6130.

* ***Regulation****:* [*24 CFR 290.30*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y3W0-008G-Y18B-00000-00&context=).

*Project/Activity:* La Casse/South Canal Apartments, FHA Project Number 023-105NI, Holyoke, MA. The Office of Multifamily Housing received a proposal from MassHousing, a state housing finance agency, to purchase a HUD-held Flexible Subsidy Operating Assistance Program note for $ 587,969 on a non-***competitive*** basis. The balance on the Flexible Subsidy note was $ 6.7 million which alone was more than twice the as-is appraised value of the property. There was no equity in which to size a mortgage or utilize Low Income Housing Tax Credits, and therefore no ability to refinance all the existing debt on the property and defer the Flexible Subsidy Note with terms wherein it would be repayable.

*Nature of Requirement:* Section 290.30 requires that HUD shall sell HUD-held multifamily mortgages on a ***competitive*** basis.

*Granted by:* Genger Charles, General Deputy Assistant Secretary for Housing. **[\*45880]**

*Date Granted:* May 17, 2017.

*Reason Waived:* The proposed purchase price was deemed to be the highest recovery amount possible on the note. Due to the lack of operating funds to repay on the note and its 4th lien position, there was a high risk that there would be no bidders on a ***competitive*** basis. MassHousing approved a refinancing of the property in which their purchase of the note would significantly reduce the debt burden and allow the property to cash flow and be rehabilitated. The waiver of the proposed portion of the [*24 CFR 290.30*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y3W0-008G-Y18B-00000-00&context=) does not violate any statutory requirements. Granting of this waiver ensured that the Department obtained the maximum recovery as possible on the claim, while selling to an entity fully invested in the preservation of affordable housing.

*Contact:* Thomas R. Davis, Director, Office of Recapitalization, Office of Multifamily Housing, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street SW., Room 6230, Washington, DC 20410, telephone (202) 402-7549.

* ***Regulation****:* [*24 CFR 290.30(a)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y3W0-008G-Y18B-00000-00&context=).

*Project/Activity:* Andrews Plaza, FHA Project Number 012-57128 V, Bronx, New York. Andrews Plaza Housing Associates, L.P. (Owner) seeks approval to waive the non-***competitive*** sale of a HUD-held multifamily mortgage.

*Nature of Requirement:* The ***regulation*** at [*24 CFR 290.30(a)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y3W0-008G-Y18B-00000-00&context=), which governs the sale of HUD-held mortgages, states that "[e]xcept as otherwise provided in Section 290.31(a)(2), HUD will sell HUD-held multifamily mortgages on a ***competitive*** basis."

*Granted by:* Genger Charles, General Deputy Assistant Secretary for Housing, H.

*Date Granted:* May 4, 2017.

*Reason Waived:* The owner requested and was granted a waiver of the non-***competitive*** sale of a HUD-held multifamily mortgage. A waiver allows the Department to assign the mortgage to the owner's new mortgagee to avoid paying mortgage recording tax in the State of New York.

*Contact:* Cindy Bridges, Senior Account Executive, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street SW., Room 6168, Washington, DC 20410, telephone (202) 402-2603.

* ***Regulation****:* [*24 CFR 290.30(a)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y3W0-008G-Y18B-00000-00&context=).

*Project/Activity:* Prospect Arms, FHA Project Number 012-57053 V and W, Brooklyn, New York. Prospect Arms, L.P. (owner) seeks approval to waive the non-***competitive*** sale of two HUD-held multifamily mortgages.

*Nature of Requirement:* The ***regulation*** at [*24 CFR 290.30(a)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y3W0-008G-Y18B-00000-00&context=), which governs the sale of HUD-held mortgages, states that "[e]xcept as otherwise provided in Section 290.31(a)(2), HUD will sell HUD-held multifamily mortgages on a ***competitive*** basis."

*Granted by:* Genger Charles, General Deputy Assistant Secretary for Housing, H.

*Date Granted:* June 8, 2017.

*Reason Waived:* The owner requested and was granted a waiver of the non-***competitive*** sale of two HUD-held multifamily mortgages. A waiver allows the Department to assign the mortgages to the Owner's new mortgagee to avoid paying mortgage recording tax in the State of New York.

*Contact:* Cindy Bridges, Senior Account Executive, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street SW., Room 6168, Washington, DC 20410, telephone (202) 402-2603.

* ***Regulation****:* [*24 CFR 290.30(a)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y3W0-008G-Y18B-00000-00&context=).

*Project/Activity:* Miramar Court Apartments, FHA Project Number 012-57123 V, Bronx, New York. LRF Housing Associates, L.P. (Owner) seeks approval to waive the non-***competitive*** sale of a HUD-held multifamily mortgage.

*Nature of Requirement:* The ***regulation*** at [*24 CFR 290.30(a)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y3W0-008G-Y18B-00000-00&context=), which governs the sale of HUD-held mortgages, states that "[e]xcept as otherwise provided in Section 290.31(a)(2), HUD will sell HUD-held multifamily mortgages on a ***competitive*** basis."

*Granted by:* Genger Charles, General Deputy Assistant Secretary for Housing, H.

*Date Granted:* June 23, 2017.

*Reason Waived:* The owner requested and was granted a waiver of the non-***competitive*** sale of a HUD-held multifamily mortgage. A waiver allows the Department to assign the mortgage to the owner's new mortgagee to avoid paying mortgage recording tax in the State of New York.

*Contact:* Cindy Bridges, Senior Account Executive, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street SW., Room 6168, Washington, DC 20410, telephone (202) 402-2603.

* ***Regulation****:* [*24 CFR 290.30(a)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y3W0-008G-Y18B-00000-00&context=).

*Project/Activity:* Villa Alejandrina Apartments, FHA Project Number 012-57308 V and W, Bronx, New York. Brook Avenue Development Company, L.P. (Owner) seeks approval to waive the non-***competitive*** sale of two HUD-held multifamily mortgages.

*Nature of Requirement:* The ***regulation*** at [*24 CFR 290.30(a)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y3W0-008G-Y18B-00000-00&context=), which governs the sale of HUD-held mortgages, states that "[e]except as otherwise provided in Section 290.31(a)(2), HUD will sell HUD-held multifamily mortgages on a ***competitive*** basis."

*Granted by:* Genger Charles, General Deputy Assistant Secretary for Housing, H.

*Date Granted:* June 23, 2017.

*Reason Waived:* The owner requested and was granted a waiver of the non-***competitive*** sale of two HUD-held multifamily mortgages. A waiver allows the Department to assign the mortgages to the Owner's new mortgagee to avoid paying mortgage recording tax in the State of New York.

*Contact:* Cindy Bridges, Senior Account Executive, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street SW., Room 6168, Washington, DC 20410, telephone (202) 402-2603.

**IV. Regulatory Waivers Granted by the Office of Public and Indian Housing**

For further information about the following regulatory waivers, please see the name of the contact person that immediately follows the description of the waiver granted.

* ***Regulation****:* [*24 CFR 5.801*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5MF8-RY70-008G-Y43S-00000-00&context=) and [*24 CFR 902.33(b)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y480-008G-Y4YT-00000-00&context=).

*Project/Activity:* Kennewick Housing Authority (WA012).

*Nature of Requirement:* The ***regulation*** establishes certain reporting compliance dates. The audited financial statements are required to be submitted to the Real Estate Assessment Center (REAC) no later than nine months after the housing authority's (HA) fiscal year end (FYE), in accordance with the Single Audit Act and 2 CFR part 200 subpart F.

*Granted By:* Jemine A. Bryon, General Deputy Assistant Secretary for Public and Indian Housing.

*Date Granted:* May 19, 2017.

*Reason Waived:* The Kennewick Housing Authority requested relief of financial condition scoring and its financial reporting requirements for the fiscal year end (FYE) of September 30, 2016. The HA's records and building contents were all destroyed during the storm disaster of October 2016. Therefore, the HA was approved until June 12, 2017, to submit its unaudited financial statements, as well as to submit its audited financial statements to HUD. The audited financial approval only permits the extension for filing. This FASS audited financial submission extension does not apply to Single Audit submissions to the Federal Audit Clearinghouse; the HA is required to meet the Single Audit due date.

*Contact:* Dee Ann R. Walker, Acting Program Manager, NASS, Real Estate Assessment Center, Office of Public and Indian Housing, Department of Housing and Urban Development, 550 12th Street SW., Suite 100, Washington, DC 20410, telephone (202) 475-7908.

* ***Regulation****:* [*24 CFR 990.250(b)(1)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y420-008G-Y3HG-00000-00&context=).

*Project/Activity:* Alexander County HA (ACHA) in Cairo, IL (Code: IL007).

*Nature of Requirement:* The ***regulation*** states that a Public Housing Agency (PHA) is required to acquire an independent cost assessment of its projects when requesting an operating subsidy appeal. The ACHA requested a waiver to the requirement to receive an independent cost estimate to appeal their project expense level (PEL) funding.

*Granted By:* Jemine A. Bryon, General Deputy Assistant Secretary for Public and Indian Housing.

*Date Granted:* May 31, 2017.

*Reason Waived:* ACHA, currently under HUD posession, faces economic hardship that severely impact its financial stability, and limit the PHA's ability to complete an independent cost estimate prior to the submission of a PEL appeal. An April 2017 report completed by HUD's Quality Assurance Subsystem (QASS) determined that the model-generated PEL was not accurate for comparable properties in the market area resulting in reduced funding by more than ten percent. Coupled with ACHA's dire financial position and accompanying exigent circumstances, HUD found that the QASS report meet the intent of the requirement of [*24 CFR 990.250(b)(1)*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5M1R-Y420-008G-Y3HG-00000-00&context=). Thereby, the Department determined that ACHA demonstrated good cause pursuant to 24 CFR part 5.110 to grant the waiver.

*Contact:* Monica Shepherd, Public Housing Management and Occupancy Division, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 Seventh Street SW., Room **[\*45881]** 4208, Washington, DC 20410, telephone (202) 402-5687.

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**Contacts**

**FOR FURTHER INFORMATION CONTACT:** For general information about this notice, contact Ariel Pereira, Associate General Counsel for Legislation and ***Regulations***, Department of Housing and Urban Development, 451 7th Street SW., Room 10282, Washington, DC 20410-0500, telephone 202-708-1793 (this is not a toll-free number). Persons with hearing- or speech-impairments may access this number through TTY by calling the toll-free Federal Relay Service at 800-877-8339.

For information concerning a particular waiver that was granted and for which public notice is provided in this document, contact the person whose name and address follow the description of the waiver granted in the accompanying list of waivers that have been granted in the second quarter of calendar year 2017.

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