SECTION 212 HIGHLIGHTS

- **Allows For:**
  - Transfer of some or all Project Based Rental Assistance
  - Debt held or insured by HUD
  - Low income use restrictions

- **Can be done in phases**
  - Cannot reduce the number of occupied units
  - Cannot increase the net amount of federal assistance in the transfer

- **The project from which the transfer is being made must be physically obsolete or economically nonviable**
  - Tenant consultation required
  - All appropriate local government officials must approve
  - HUD must issue a Notice in the Federal Register
8(b)(b) HIGHLIGHTS

- Allows for transfer of Section 8 budget authority
- Notice only applies to Office of Multifamily Housing Project Based HAPs
- Can only transfer to an existing project
- Must do a 20 year renewal
- Generally, the project must be in the same state

- Cannot increase the amount of BA (so the units and rents must fit)
- Can transfer some or all of the BA
- Some of the transferring project must remain viable
- Issues with reduction of units, relocation, fair housing, passing REAC, tenant notification, URA, and TPVs
### HUD Appropriations: 2016 Request

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- Includes advanced appropriation of $400 M for project based and $4 B for tenant based.
- **Veterans Vouchers included in broader tenant projection voucher category**
OTHER PROVISIONS

Both House and Senate provide $130M for tenant protection vouchers

$5M of the $130 M TPV for termination of affordability restrictions or rental assistance in low vacancy areas

Both House and Senate provide $30M for RAP/Rent Supp extensions

RAD1 cap stays at 185,000

Senate extends the HOPE VI program to September 30, 2016

Authorizes up to 100 additional Housing Authorities participating in the “Moving to Work” program

There are approximately 17,400 project-based Section 8 contracts

The tenant based Section 8 program serves 2.2 million families
Two year hiatus ends in 2016

2016 Obama budget ignores Sequestration caps: exceeds caps by $74 billion

House and Senate 2016 budget resolutions comply with Sequestration caps

House budget plan includes privatization of Fannie and Freddie.
As expected, the president signed the transportation bill (Public Law 114-94) on December 4th which included the provisions to provide owner access to residual receipts and eliminate the limitation on distributions prospectively. The bill provides 120 days for HUD to implement these provisions.
Option 1/Chapter 15

- Mark up to “Post Rehab”
- Day 1 rents if perm. Loan amortizing Day 1
- Waivers: Generally HUB Director but RCS waiver from DC; and not often granted
- If FHA loan, lender’s appraisal serves as RCS

Section 236 Decoupling (H2013-25)

- Re-decoupling
- Assignment of IRP; existing takeout
- Early termination of IRP; eliminate LD; amend 236(e)(2) Use Agreement
Transfer of Section 8 Budget Authority:
HUD Notice 2014-14 issued October 9, 2014 implemented the ability to transfer Budget Authority of a Project-Based Section 8 Housing Assistance Payments Contract under Section 8(bb)(1) of the United States Housing Act of 1937

Transfer of Section 8, Use Agreements and/or Mortgages:
Federal Register Notice published March 31, 2015 becomes effective April 30, 2015, which was originally Section 318 of the 2006 Appropriations; Section 214 of the 2014 and 2015 Appropriations; Section 212 of the 2015 and 2016 Appropriations; and Section 212 of the 2016 and 2017 Appropriations.
QUESTIONS?

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