

delegation from the Secretary of HUD to the Assistant Secretary for Fair Housing and Equal Opportunity for these residual oversight activities.

## II. Authority Revoked

The Assistant Secretary for Housing and the General Deputy Assistant Secretary for Housing—Deputy Federal Housing Commissioner (General Deputy Assistant Secretary for Housing) and the Associate General Deputy Assistant Secretary for Housing revoke the previous redelegation of authority to the Assistant Secretary for Fair Housing and Equal Opportunity.

## III. Authority Redelegated

Authority is redelegated to the General Counsel to issue a notice of violation under the terms of a regulatory agreement and a notice of default under the terms of a section 8 housing assistance payments contract, Rental Assistance Payment Contract, Project Rental Assistance Contract or Use Agreement, and to take all actions permitted under 24 CFR 30.36, 24 CFR 30.45, and 24 CFR 30.68.

## IV. Authority Excepted

The authority redelegated in Section III does not include the authority to waive regulations under the program jurisdiction of the Assistant Secretary for Housing.

## V. Further Redelegations

The General Counsel is authorized to redelegate the authority redelegated in Section III, above. This notice has no impact upon the redelegation of authority issued by the General Counsel to the Departmental Enforcement Center on July 18, 2011 (76 FR 42463).

## VI. Prior Redelegations Superseded

The previous redelegations of authority to the Assistant Secretary for Fair Housing and Equal Opportunity and the General Counsel, published on October 12, 2006 are superseded by this notice.

## VII. Revocation of Authority

The Assistant Secretary for Housing—Federal Housing Commissioner, General Deputy Assistant Secretary for Housing or Associate General Deputy Assistant Secretary for Housing may revoke the authority authorized herein, in whole or part, at any time. Any revocation or modification of a redelegation will be published in the **Federal Register**.

**Authority:** Section 7(d), Department of Housing and Urban Development Act, 42 U.S.C. 3535(d).

Dated: June 5, 2012.

**Carol J. Galante,**

*Acting Assistant Secretary for Housing—Federal Housing Commissioner.*

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## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5557-D-05]

### Delegations of Authority for the Office of Housing—Federal Housing Administration (FHA); Redelegations of Authority Regarding Multifamily Housing Programs

**AGENCY:** Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

**ACTION:** Notice of revocation and redelegation of authority.

**SUMMARY:** On October 12, 2006, the Assistant Secretary for Housing—Federal Housing Commissioner published comprehensive redelegations of authority for the Office of Multifamily Housing Programs and the Office of Insured Health Care Facilities (OIHCF). Today's notice of redelegations of authority updates and amends the notice that was published on October 12, 2006. The notice reflects changes that have been made to the redelegations of authority regarding multifamily housing programs since October 12, 2006. In general, these changes reflect (1) the inclusion of the Office of Affordable Housing Preservation and its functions in the Office of Multifamily Housing Programs and (2) the deletion of certain redelegations for healthcare facility programs and functions, which now are contained in a separate Office of Healthcare Programs and are subject to their own redelegations to be published in a separate notice.

**DATES:** *Effective Date:* June 5, 2012.

**FOR FURTHER INFORMATION CONTACT:** Janet Golrick, Associate Deputy Assistant Secretary for the Office of Multifamily Housing, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street SW., Room 6112, Washington, DC 20410-8000, telephone 202-708-2495. (This is not a toll-free number.) Persons with hearing- or speech-impairments may access this number through TTY number by calling the toll-free Federal Relay Service number at 800-877-8339.

**SUPPLEMENTARY INFORMATION:** Several important changes are included in today's notice. First, specific redelegations of authority for functions

performed by the Office of Affordable Housing Programs (OAHP) are contained in Section VII. Previously, redelegations of authority for OAHP were published separately from those for the Office of Multifamily Housing Programs, and the last publication was on October 12, 2006 (71 FR 60178). Those authorities have been updated but not functionally amended and are reproduced in their entirety in today's notice with one addition that is noted below. OAHP has now been merged into the Office of Multifamily Housing Programs, and the position of OAHP Deputy Assistant Secretary has been changed to OAHP Associate Deputy Assistant Secretary. As a result, previous redelegations to the OAHP Deputy Assistant Secretary (and the OAHP Associate Deputy Assistant Secretary) now run to the Deputy Assistant Secretary for Multifamily Housing Programs and the Associate Deputy Assistant Secretary for Affordable Housing Programs.

Second, the Assistant Secretary is now redelegating authority to the Deputy Assistant Secretary for Multifamily Housing Programs and the Associate Deputy Assistant Secretary for Affordable Housing Programs authority to perform all the functions necessary to implement Title XII of Division A of the American Recovery and Reinvestment Act of 2009 (ARRA), (Pub. L. 111-5, approved February 17, 2009). ARRA created a program for making energy improvements in multifamily housing known as the Green Retrofit Program for Multifamily Housing.

Third, today's notice does not contain certain redelegations for HUD's healthcare programs, except in connection with property disposition activities for section 232 healthcare facilities and section 242 hospitals. All other functions for sections 232 and 242 have been consolidated in the Office of Healthcare Programs.

Fourth, today's notice contains a redelegation to the Deputy Assistant Secretary for Multifamily Housing Programs and the Associate Deputy Assistant Secretary for Multifamily Housing Programs to carry out activities under the Self-Help Housing Property Disposition Program authorized under the Federal Property and Administrative Services Act of 1949, as amended by Public Law 105-50 (40 U.S.C. 550(f)). This delegation of authority previously was published on March 16, 2004 and is incorporated here.

Fifth, a new position, the Associate Deputy Assistant Secretary for Multifamily Housing Administration, is included in the description of the Office

of Multifamily Housing Programs in Section I.

Finally, Section III.F., function (2), continues to indicate that Hub Operations Officers and Program Center Directors can issue a firm commitment for mortgage insurance if the principal amount of the mortgage does not exceed \$15 million. The Hub Director can issue a firm commitment for mortgage insurance without any limitation related to the principal amount of the mortgage but such loans may be subject to HUB or National Loan Committee approval before either an application invitation letter or a firm commitment can be issued, depending on program type, project size, loan size, and real estate risk, in accordance with Notice H 2011-04 or its successors.

### **Section I. Multifamily Housing Programs: Office of Housing Organization**

#### *A. Office of Multifamily Housing Programs—Headquarters*

In general, all Office of Multifamily Housing managers in Headquarters and in the Field report to the Deputy Assistant Secretary for Multifamily Housing Programs and to their appropriate program Associate Deputy Assistant Secretary (i.e., the Associate Deputy Assistant Secretary for Multifamily Housing Programs or the Associate Deputy Assistant Secretary for Affordable Housing Programs) and, for internal administrative matters only, to the Associate Deputy Assistant Secretary for Multifamily Administration. In Headquarters, there are six major Multifamily Housing program offices, each of which is headed by an Associate Deputy Assistant Secretary or a Director. These offices and a general description of each appear below:

#### **1. Office of Multifamily Housing Development**

This office develops and implements policies and guidelines for the loan origination aspects of FHA multifamily housing mortgage insurance programs from pre-application to final endorsement of the mortgage note. The office is responsible for Traditional Application Processing (TAP), Multifamily Accelerated Processing (MAP) and Section 542 Risk-Sharing policies and procedures, including lender approval and lender monitoring. The Office of Multifamily Housing Development staff provides technical guidance to the HUD/FHA multifamily housing field staff, the industry, and other Headquarters offices.

#### **2. Office of Asset Management**

The Office of Asset Management (Office of AM) is responsible for strategic planning, guidance, and oversight of HUD's multifamily housing portfolio of project assets after development and upon occupancy (multifamily housing properties consist primarily of rental housing properties with five or more dwelling units, such as apartments or town houses, elderly housing, housing for persons with disabilities, mobile home parks, retirement service centers and, very occasionally, vacant land). The Office of AM develops policy for, and oversees, field office asset management operations. The Office of AM is responsible for oversight of regulated property ownership and management, routine mortgage servicing, default servicing, acquisition and/or disposition of loans and properties, and management of properties where the Secretary is owner or mortgagee-in-possession. The Office of AM serves as Multifamily Housing's liaison with the Real Estate Assessment Center (REAC) and the Departmental Enforcement Center (DEC). In addition, the Office of AM oversees field office and lender-servicing activities for HUD-involved properties. Through two field Property Disposition Centers, the Office of AM oversees HUD management, ownership, and the sale of properties, which HUD owns by virtue of default and foreclosure, or for which HUD is mortgagee-in-possession. The Office and the Centers also oversee and implement property disposition functions for the Office of Healthcare Programs.

#### **3. Office of Housing Assistance and Grant Administration**

The Office of Housing Assistance and Grant Administration is responsible for directing and overseeing housing assistance and competitive grant programs administered by the Office of Multifamily Housing Programs, and places its primary focus on production and development functions. Its programs include project-based Section 8 housing assistance, the Section 202/811 Capital Advance Program, the Emergency Capital Repair Grants program, Service Coordinators, Assisted Living Conversion, and Congregate Housing Services Programs. The Office also is involved with other project based assistance programs including Rent Supplement, Rental Assistance Payments, Project Rental Assistance Contracts, and Senior Project Rental Assistance Contracts. In addition, the Office provides occupancy policy guidance and supports the Rental

Housing Integrity Improvement Initiative and Enterprise Income Verification in connection with HUD efforts to reduce improper payments.

#### **4. Office of Housing Assistance Contract Administration Oversight**

The Office of Housing Assistance Contract Administration Oversight is responsible for policies, procedures, guidelines, performance assessment, and technical and general compliance under the terms of the respective Annual Contributions Contracts for Section 8 Contract Administrators (CA). The Section 8 contract administration oversight by this office provides that properties continue to meet the Department's standard of providing decent, safe, and sanitary housing to low-income families. Additionally, the Office of Housing Assistance Contract Administration Oversight is responsible for assuring that the Department meets its financial obligations to owners as specified in the various subsidy contracts by ensuring availability of subsidy payments. The office oversees ongoing funding of project-based assistance contracts, including contracts under the Section 8, Rent Supplement, and Rental Assistance Payments programs.

#### **5. Office of Program Systems Management**

The Office of Program Systems Management is responsible for the automated systems that support multifamily housing programs and healthcare programs. This office works with the offices to develop and enhance the systems used to support their respective programs.

#### **6. Office of Affordable Housing Preservation**

The Office of Affordable Housing Preservation (OAHP) was established to administer the Mark to Market program, to assure the smooth continuation of the Mark to Market program utilizing authorities that continued after the legislative sunset of the Office of Multifamily Housing Assistance Restructuring on September 30, 2004. OAHP also provides assistance to affordable housing areas in the oversight and preservation of a wide spectrum of affordable housing programs, including making energy improvements to multifamily housing. OAHP's duties include those needed to support Multifamily Development and Asset Management, as may be assigned by the Deputy Assistant Secretary for Multifamily Housing Programs. The Office is headed by an Associate Deputy Assistant Secretary and a Deputy

Associate Deputy Assistant Secretary. OAHP is headquartered in Washington, DC and has a limited field presence with two field offices: one in Washington, DC, and one in Chicago, Illinois. There also is OAHP staff out-stationed in New York City. Redelegations of authority to the Deputy Assistant Secretary for Multifamily Housing Programs and the Associate Deputy Assistant Secretary for the Office of Affordable Housing Preservation are set forth in Section VII of the notice.

#### *B. Office of Multifamily Housing—Field Office Structure*

The field office organization consists of 51 offices, including Hubs and program centers. In all, there are 17

Hubs, most of which also have a Program Center sometimes (referred to as Projects Management Staff) co-located with the Hub. In a few instances where a Hub does not have a Program Center, it may have an office outside the Hub, comprised of out-stationed staff, that serves a specific geographic area. Each Program Center or office administers programs for the immediate geographical area of the Hub, whereas the Hub oversees operations for the broader geographic area. There are 34 Program Centers, each of which reports to a Hub and is located within the Hub's jurisdiction.

The highest-ranking official in a Hub is the Hub Director. The immediate deputy of the Hub Director is the Director of the Operations Staff (referred

to in this notice as the Operations Officer). The Director of the Projects Management Staff (referred to in this notice as the Director of Project Management) reports to the Hub Director and oversees the work of the co-located Program Center. The head of a Program Center who is located outside the Hub is the Program Center Director. The occupant of this position also reports to the Hub Director. (Note: In this notice, reference to "Program Center Directors" refers to both the aforementioned Director of Projects Management and the Directors of Program Centers located outside the Hub location).

The chart below identifies each Hub, the Program Centers that report to it, and the geographic area that it serves.

#### MULTIFAMILY HOUSING HUB STRUCTURE

Hub	Program center	Geographic area serviced
Atlanta .....	Caribbean, Knoxville, Louisville, Nashville (Also, a Multifamily Property Disposition Center is located in Atlanta).	Georgia, Kentucky, Puerto Rico, Tennessee, Virgin Islands.
Baltimore .....	Richmond, Washington, DC .....	Maryland, Virginia, Washington, DC.
Boston .....	Hartford, Manchester, Providence .....	Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont.
Chicago .....	Indianapolis .....	Illinois, Indiana.
Columbus .....	Cleveland .....	Ohio.
Denver .....	.....	Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming.
Detroit .....	.....	Michigan.
Fort Worth .....	Albuquerque, Houston, Little Rock, New Orleans, San Antonio (Also, a Multifamily Property Disposition Center is located in Fort Worth).	Arkansas, Louisiana, New Mexico, Texas.
Greensboro .....	Columbia .....	North Carolina, South Carolina.
Jacksonville .....	Birmingham, Miami, Jackson .....	Florida, Alabama, Mississippi.
Kansas City .....	Des Moines, Oklahoma City, Omaha, St. Louis .....	Iowa, Kansas, Missouri, Nebraska, Oklahoma.
Los Angeles .....	.....	Southern California.
Minneapolis .....	Milwaukee .....	Minnesota, Wisconsin.
New York City .....	Buffalo .....	New York State, including New York City Metro Area.
Philadelphia .....	Charleston, Newark, Pittsburgh .....	Delaware, New Jersey, Pennsylvania, West Virginia.
San Francisco .....	Honolulu, Phoenix, Las Vegas .....	Arizona, Northern California, Hawaii, Nevada.
Seattle .....	Anchorage, Portland .....	Alaska, Idaho, Oregon, Washington.

In summary, certain Multifamily Housing Office managers in Program Centers, Hubs, and Headquarters, acting within the scope of their redelegated authorities and applicable law, have independent authority, through the delegation process, to make binding decisions on behalf of the Department. Program Center Directors report to Hub Directors who, in turn, report to the Deputy Assistant Secretary for Multifamily Housing Programs and the Associate Deputy Assistant Secretary for Multifamily Housing Programs.

#### **Section II. Multifamily Housing Programs—Functions**

The Office of Multifamily Housing is charged with carrying out duties of the Assistant Secretary for Housing, the General Deputy Assistant Secretary for

Housing, and the Associate General Deputy Assistant Secretary for Housing as they relate to multifamily programs set forth in HUD's governing legislation. This broad range of programs enables HUD, in concert with its partners from the private and public sectors, to provide safe, decent, and affordable multifamily housing to millions of American families. The programs include mortgage insurance, capital advances, grant programs, and some programs that assist communities in reducing crime. Under this delegation, the Assistant Secretary for Housing, General Deputy Assistant Secretary for Housing and the Associate General Deputy Assistant Secretary for Housing redelegate broad program authority to the Deputy Assistant Secretary for Multifamily Housing and the Associate

Deputy Assistant Secretary for Multifamily Housing, for particular Multifamily Housing Directors in Headquarters and the field.

Characterizing the authority that is being redelegated in broad or general terms in this Section II will enable the Deputy Assistant Secretary for Multifamily Housing and the Associate Deputy Assistant Secretary for Multifamily Housing and particular Multifamily Housing Directors to perform all functions necessary to accomplish multifamily housing program tasks and objectives.

In some past delegation notices, HUD has set forth, in "laundry list" fashion, the functions that are carried out by managers under generic function headings. However, publishing detailed lists has proven problematic, as some

listed items become obsolete over time, while others are omitted through oversight. Conversely, this Section II of this delegation sets forth functions in general terms, while the preamble provides insights into the nature of the work performed by managers with delegated authority under each category. The basic multifamily housing functions and a brief description of each are as follows:

#### *A. General Authority*

This authority allows Office of Housing officials in the Office of Multifamily Housing to sign any and all documents necessary to carry out business within their program and geographic jurisdictions. In addition, this authority allows such officials, when considering a proposal, to waive any directives, not mandated by statute or regulation or reserved to Headquarters, for good cause and with written justification.

#### *B. Development*

This function allows a manager with delegated authority to make all necessary determinations that relate to the FHA-insured mortgage underwriting process and the risk-sharing programs. Essentially, this category of functions begins with a pre-application or application for mortgage insurance and ends with the Department's endorsement of an insured mortgage and related documentation. For all mortgage insurance programs, it includes, but is not limited to, such activities as determining the acceptability of project sites; issuing firm commitments for FHA insurance; issuing initial or final endorsements for FHA insurance; executing regulatory agreements; requiring corrective actions and escrow accounts as needed; and wherever applicable, directing the actions of HUD clients in connection with a project's development (e.g., authorizing a housing finance agency to process risk sharing loans or to conduct a subsidy layering review). Similar production functions are performed in connection with capital advances for elderly persons (the Section 202 program) and persons with disabilities (Section 811). For example, under those programs, applications are reviewed and rated, funding awards are made, regulatory and use agreements executed.

#### *C. Asset Management*

Functions carried out under this category involve HUD's continuing relationship with a multifamily project after it has been added to the HUD portfolio through either FHA mortgage insurance, co-insurance, or risk-sharing

programs; direct loan; capital advance or grant programs; other subsidy programs; and combinations thereof. Under this category, ongoing decision-making relates to an insured or subsidized project's occupancy, operations, and physical and financial condition from the time of occupancy through final disposition including, but not limited to, prepayment, repayment of the loan or end of the subsidy contract, foreclosure, and/or termination of the subsidy contract. In addition, functions involve the renewal of Section 8 contracts and other project-based assistance, and imposing sanctions upon project owners that, for example, violate the terms of their regulatory agreement and/or section 8 housing assistance contract.

#### *D. Competitive Capital Advance Programs*

Competitive programs within the Office of Multifamily Housing typically include those for the Section 202 supportive housing for the elderly, Section 811 supportive housing for persons with disabilities, service coordinators, and the assisted living conversion programs. In any given year, Congress may authorize additional or alternative programs. Office functions include developing the criteria for applications, rating and ranking applications, and executing capital advance and grant agreements. Once a grant is awarded, functions include monitoring compliance with the grant agreement, terminating a grant for non-compliance, modifying a grant, and closing out a grant. Once a capital advance is awarded under the Section 202 or Section 811 programs, functions include processing a firm commitment application, initially closing the project, monitoring compliance with the construction contract, and finally closing the project as soon as costs have been certified.

#### *E. Program Demonstrations*

Periodically, Congress will enact legislation that authorizes HUD to conduct a multifamily housing program on a demonstration basis. The purpose of a demonstration is essentially to test the viability of a new program on a limited basis, e.g., by geography, case volume, or time. Functions related to demonstration programs include developing program criteria, implementing the program, monitoring activities and results, preparing any required reports to Congress, and closing out the program.

#### *F. Property Disposition*

Property disposition functions begin after HUD has made an initial decision to foreclose on a property. These functions include notifying an owner, and hearing and deciding an owner's appeal to the foreclosure determination; deciding the terms of and directing a foreclosure sale; accepting a deed-in-lieu of foreclosure, authorizing any work and related terms required by a project in advance of a sale; advertising a project for sale; approving disposition plans, sales documents, and purchasers; executing rental assistance contracts; and relocation of residents as may be necessary.

#### *G. Coinsurance*

In 1990, HUD stopped accepting new applications for multifamily housing coinsurance. However, HUD still carries out multifamily housing coinsurance program functions in relation to the existing inventory, which include any and all actions necessary to carry out the program authorized under 12 U.S.C. 1715z-9. Functions also include authorizing second mortgage documents in partial payment-of-claims cases, as well as approving requests for the conversion of coinsurance to full mortgage insurance.

#### *H. Portfolio Reengineering*

The Portfolio Reengineering Demonstration Project was originally authorized in 1996 and most recently in 1998 under Title V of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998 (Pub. L. 105-65). Although all cases under the program have been closed, there is ongoing asset management functions related to this portfolio of projects.

#### *I. Contract Administration Oversight/Funding*

Functions in this area of contract administration oversight involve activities related to the award of the Contract Administration Contracts (Annual Contribution Contracts), assessment and assignment of Section 8 contracts to Performance-Based Contract Administrators (PBCAs), evaluation of PBCA performance, provision of technical assistance to PBCAs, and prescription of any remedial actions needed to improve PBCA performance. Key functions also involve developing policies and procedures for field offices and coordinating efforts between the PBCAs and the local Multifamily Housing field office staff; monitoring, evaluating, and providing technical guidance relative to field activities;

assuring that PBCAs provide data needed to evaluate their performance and the status of contracts they administer; and coordinating audit activities associated with Section 8 Contract Administration.

Funding activities involve budget and funding responsibilities associated with various rental assistance programs, including both HUD and third-party administered contracts. Activities also include creating and approving administrative commitments for active contracts, determinations of funding levels, reservations of the subsidy based on funding availability, monitoring allotments as compared to annual appropriations, funding assignments against allotments, reservations compared to fund assignments, and actual reservations versus estimated activity. Additional functions include monitoring the timely payment of Section 8 housing assistance to administrators and project owners in cooperation with the accounting staff in the Office of the Chief Financial Officer. The funding area also works with the Department's budget and accounting organizations to generate budget authority estimates for the above-referenced subsidy programs, develop procedures for funding and payment processes, and integrate systems to support the data.

### **Section III. Multifamily Housing Programs—Authority Redelegated**

The Assistant Secretary, the General Deputy Assistant Secretary and the Associate General Deputy Assistant Secretary for Housing retain and redelegate the power and authority, as provided in this Section III, (1) To the Deputy Assistant Secretary for Multifamily Housing Programs and the Associate Deputy Assistant Secretary for Multifamily Housing Programs; (2) through the above Deputy Assistant Secretary and Associate Deputy Assistant Secretary, to the Headquarters Multifamily Directors listed below; and (3) through the Headquarters Multifamily Directors, to the Headquarters and Field Office managers listed below; the following power and authority.

#### **A. Deputy Assistant Secretary and Associate Deputy Assistant Secretary for Multifamily Housing Programs**

Authority is redelegated, on a nationwide basis, to take all actions necessary to conduct all multifamily housing programs, including, but not limited to, the exercise of the following functions:

(1) The general power to modify and sign any documents necessary to

perform enumerated functions and to waive any directive that is not mandated by a statute or regulation;

(2) All production functions related to mortgage insurance, capital advance, risk-sharing, or other programs;

(3) All asset management functions related to mortgage insurance, grant, or other programs;

(4) All functions necessary to carry out a competitive capital advance program;

(5) All functions necessary to carry out a program conducted on a demonstration basis;

(6) All property disposition functions;

(7) All functions necessary to the conduct of the Multifamily coinsurance program;

(8) All functions necessary to conduct asset management activities under the portfolio reengineering program, reauthorized under Title V of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act of 1998 (Pub. L. 106-65);

(9) All functions necessary to the conduct of Section 8 contract administration oversight/funding;

(10) All functions necessary to carry out the Self-Help Housing Property Disposition Program; and,

(11) All source selection official functions.

#### **B. Director, Office of Multifamily Housing Development**

Authority is redelegated, on a nationwide basis, to take all actions necessary to conduct all multifamily housing programs, in relation to the following functions:

(1) The general power to sign any documents necessary to perform enumerated functions and to waive any directive that is not mandated by a statute or regulation;

(2) All production functions related to mortgage insurance or risk-sharing programs; and

(3) All functions necessary to carry out a program conducted on a demonstration basis.

#### **C. Director, Office of Asset Management**

Authority is redelegated, on a nationwide basis, to take all actions necessary to conduct all multifamily housing programs, in relation to the following functions:

(1) The general power to sign any documents necessary to perform enumerated functions and to waive any directive that is not mandated by a statute or regulation;

(2) All asset management functions related to mortgage insurance, loans, capital advances, or grants or other

programs, except functions related to the renewal of Section 8 contracts and other project-based assistance;

(3) All functions necessary to carry out a competitive capital advance programs;

(4) All functions necessary to carry out a program conducted on a demonstration basis;

(5) All property disposition functions;

(6) All functions necessary to conduct the multifamily coinsurance program; and

(7) All functions necessary to conduct the portfolio reengineering program, reauthorized under Title V of the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act of 1998.

#### **D. Director, Office of Housing Assistance and Grant Administration**

Authority is redelegated, on a nationwide basis, to take all actions necessary to conduct:

(1) The general power to sign any documents necessary to perform enumerated functions and to waive any directive that is not mandated by a statute or regulation;

(2) All functions necessary to carry out competitive capital advance programs; and

(3) Only asset management functions related to the renewal of Section 8 contracts and other project-based assistance.

#### **E. Director, Office of Housing Assistance Contract Administration Oversight**

Authority is redelegated, on a nationwide basis, to take all actions necessary to conduct the business of Section 8 contract administration and funding rental assistance programs as designated in Section II, in relation to the following functions:

(1) The general power to sign any documents necessary to perform enumerated functions and waive any directive that is not mandated by a statute or regulation; and

(2) All functions related to Section 8 Contract Administration and funding.

#### **F. All Hub Directors, Operations Officers, and Program Center Directors**

The authority redelegated authorizes these officials to take all actions necessary to the conduct of all multifamily housing programs, not including the property disposition program, coinsurance program, and portfolio reengineering program. The authority is further limited in that it may only be exercised within each official's authorized geographic jurisdiction. Accordingly, the Hub

Directors and Operations Officers may exercise the functions enumerated herein with the full geographic jurisdiction of their respective Hubs, which include all Program Center areas under their respective jurisdictions. The Hub Director for Project Management may only exercise the authority within the immediate "program center" jurisdiction of the Hub. The Program Center Director may only exercise authority within the geographic jurisdiction of the Program Center. The authority redelegated permits the exercise of the following functions:

(1) The general power to modify and sign any documents necessary to perform enumerated functions and to waive any directive that is not mandated by statute or regulation;

(2) All production functions related to mortgage insurance, grant, or other multifamily housing insurance programs, except that Operations Officers and Program Center Directors cannot issue a firm commitment for mortgage insurance where the principal amount of the mortgage is in excess of \$15 million. The Hub Director can issue a firm commitment for mortgage insurance without any limitation related to the principal amount of the mortgage but such loans may be subject to HUD or National Loan Committee approval before either an application invitation letter or a firm commitment can be issued, depending on program type, project size, loan size, and real estate risk, in accordance with Notice H 2011-04 or its successors.

(3) All asset management functions related to mortgage insurance, grant, or other programs, except as follows:

(a) Operations Officers and Program Center Directors cannot issue (i) a notice of violation under the terms of a regulatory agreement or (ii) a notice of default under the terms of a housing assistance contract.

(b) Hub Directors, Operations Officers, and Program Center Directors cannot perform the following functions:

(i) Authorize the acceleration of the principal debt of a mortgage;

(ii) Terminate a rent supplement contract or rental assistance contract;

(iii) Declare a default under an interest reduction payment contract;

(iv) Authorize a partial payment of claim;

(v) Authorize a mortgage modification;

(vi) Authorize the override of a mortgage lockout provision;

(vii) Authorize a prepayment of a HUD-insured or HUD-held mortgage, or voluntary termination of mortgage insurance, unless specifically authorized to do so by an express

redelegation of authority from the Assistant Secretary for Housing or the General Deputy Assistant Secretary for Housing, setting forth any affected programs and terms and conditions applicable thereto.

(4) All functions necessary to carry out competitive capital advance programs; and

(5) All functions necessary to carry out a program conducted on a demonstration basis.

(6) Hub Directors, but not Operations Officers and Program Center Directors, are authorized to carry out all source selection official functions for field-office based procurements, provided that the contract amount is less than \$10 million.

*G. Directors for Property Disposition Centers in the Atlanta, Georgia, and Fort Worth, Texas, Hubs Only*

Authority is redelegated, on a nationwide basis, to take all actions and perform all functions, including signing any documents in furtherance thereof and issuing waivers of directives not mandated by statute or regulation, necessary to conduct the multifamily and healthcare property disposition program.

*H. Hub Director, Operations Officer, and Program Center Director for the Greensboro, North Carolina, Hub Only*

Authority is redelegated, on a nationwide basis, to take all actions and to perform all functions, including signing any documents in furtherance thereof and issuing waivers of directives not mandated by statute or regulation, necessary to the conduct of the multifamily coinsurance program.

*I. Hub Directors, Operations Officers, and Directors for Project Management in, New York; Philadelphia, Pennsylvania; Atlanta, Georgia; Jacksonville, Florida; Columbus, Ohio; Fort Worth, Texas; Kansas City, Kansas; Denver, Colorado; San Francisco, California; and Seattle, Washington; and the Program Center Directors in Pittsburgh, Pennsylvania; Cleveland, Ohio; Houston, Texas; and Oklahoma City, Oklahoma*

Authority is redelegated, on a nationwide basis, to take all actions and perform all functions, including signing documents in furtherance thereof and issuing waivers of directives not mandated by statute or regulation, necessary to conduct of the portfolio reengineering program authorized under Title V of the Department of Veteran Affairs and Housing and Urban Development, and Independent

Agencies Appropriations Act, 1998 (Pub. L. 106-65).

**Section IV. Authority Excepted**

The authority redelegated in Section III.A. through III.I. does not include authority to issue or waive regulations.

**Section V. Further Delegations**

The authority redelegated by the Assistant Secretary for Housing—Federal Housing Commissioner and the General Deputy Assistant Secretary—Deputy Federal Housing Commissioner and the Associate General Deputy Assistant Secretary for Housing may not be further redelegated by the officials identified in Sections III.A. through III.I., except that a Hub Director may redelegate to, or withdraw from, any Supervisory Project Manager(s) or Senior Project Managers within his or her geographic jurisdiction, any of the authority delegated those managers under this notice, except the authority to issue waivers, or FHA conditional or firm mortgage insurance commitments, and to endorse FHA notes for insurance. If work is transferred from one Hub to another or work is performed for a Hub by staff from another geographical location, the delegation must also be approved in writing by the Deputy Assistant Secretary or Associate Deputy Assistant Secretary for Multifamily Housing.

The authority specified in Section III. A, item (10) may not be further redelegated by the Deputy Assistant Secretary for Multifamily Housing Programs or the Associate Deputy Assistant Secretary for Multifamily Housing Programs to other officials.

**Section VI. Revocation of Delegations**

All prior redelegations of authority from the Assistant Secretary to staff in the Office of Multifamily Housing are hereby superseded. The Assistant Secretary for Housing—Federal Housing Commissioner, the General Deputy Assistant Secretary for Housing—Deputy Federal Housing Commissioner and the Associate General Deputy Assistant Secretary for Housing may, at any time, revoke any of the authority redelegated in this notice. Notice of any revocation will be published in the **Federal Register**.)

**Section VII. Office of Affordable Housing Preservation—Authority Redelegated**

A. The Assistant Secretary for Housing, the General Deputy Assistant Secretary for Housing, and the Associate General Deputy Assistant Secretary for Housing, redelegate to the Deputy Assistant Secretary for Multifamily

Housing and the Associate Deputy Assistant Secretary for the Office of Affordable Housing Preservation the following authority:

All authority necessary to carry out the provisions of the Mark-to-Market Program under MAHRA (42 U.S.C. 1437f note), except for the authority to issue and/or waive regulations and to sue and be sued.

B. The Assistant Secretary for Housing, the General Deputy Assistant Secretary for Housing and the Associate General Deputy Assistant Secretary for Housing redelegate to the Deputy Assistant Secretary for Multifamily Housing and the Associate Deputy Assistant Secretary for the Office of Affordable Housing Programs the following authority:

(1) To modify and sign any documents necessary to perform enumerated functions and to waive any directive issued by OAHF that is not mandated by a statute or regulation.

(2) To administer all provisions of MAHRA, including but not limited to the following:

(a) To make eligibility determinations under sections 512 and 516 of MAHRA;

(b) To enter into, modify, and or extend agreements with participating administrative entities under section 513 of MAHRA;

(c) In connection with a restructuring transaction, to make rent and/or mortgage restructuring determinations under sections 514, 515, 517, and 524 of MAHRA; and

(d) To terminate, modify, or affirm any decision on appeal under MAHRA.

(3) In connection with a restructuring transaction, to modify the principal balance, payments, interest rate, and amortization period and other terms of existing FHA-insured and HUD-held mortgages including any HUD or Secretary-held subordinate debt encumbering or otherwise related to a project; and to issue restructuring commitments and closing documents relating to such debt.

(4) To issue HUD forms 92264 and 92264A upon approval of a restructuring plan.

(5) In connection with a restructuring transaction, to approve transfers of physical assets.

(6) In connection with a restructuring transaction, to approve the "Environmental Assessment and Compliance Findings for the Related Laws and Authorities," form HUD 4128.

(7) To issue a commitment to insure and endorse for insurance a mortgage note given to refinance a HUD-insured or HUD-held mortgage, pursuant to section 223(a)(7) of the National Housing Act (12 U.S.C. 1715n).

(8) For qualified nonprofit entities acquiring projects that are the subject of a restructuring transaction, to modify, assign, or forgive debt created in the restructuring.

(9) To administer escrow accounts and modify the agreement established under the restructuring transaction, for the purpose of addressing immediate and near-term rehabilitation needs of a project.

(10) To perform all source selection official duties, subject to laws, regulations, and HUD policies and procedures governing the procurement process.

(11) To administer grant programs, other than selecting a grantee as only the Assistant Secretary is authorized to function as the Grant Official for the Office of Housing.

(12) To perform all functions of a source selection official in relation to a procurement under the subject matter jurisdiction of OAHF.

(13) To approve, in connection with a project's sale or mortgage refinancing, the assumption, modification, and/or subordination of mortgage restructuring notes and contingent repayment notes previously created during a debt restructuring transaction.

(14) To perform all the functions necessary to implement Title XII of Division A of the American Recovery and Reinvestment Act of 2009, P.L. 111-5 (the "Recovery Act"), in the section titled "Assisted Housing Stability and Energy and Green Retrofit Investments" under "Housing Programs", generally known as the Green Retrofit Program for Multifamily Housing.

C. The Deputy Assistant Secretary for Multifamily Housing and the Associate Deputy Assistant Secretary for the Office of Affordable Housing Preservation further redelegate to each OAHF Director and OAHF Deputy Director, in the Field Offices and at Headquarters, the following authority:

(1) To modify and sign any documents necessary to perform enumerated functions and to waive any directive issued by OAHF that is not mandated by a statute or regulation.

(2) To administer the following provisions of MAHRA;

(a) To make eligibility determinations under sections 512 and 516 of MAHRA;

(b) In connection with a restructuring transaction, to make rent and/or mortgage restructuring determinations under sections 514, 515, 517, and 524; and

(c) To reject or hear and decide any appeal made to the Production Office under 24 CFR 401.645 or another permissible procedure.

(3) In connection with a restructuring transaction, to modify the principal balance, payments, interest rate, and amortization period and other terms of existing FHA-insured and HUD-held mortgages, including any HUD or Secretary-held subordinate debt encumbering or otherwise related to a project; and to issue restructuring commitments and closing documents relating to such debt.

(4) To issue HUD forms 92264 and 92264A upon approval of a restructuring plan.

(5) In connection with a restructuring transaction, to approve transfers of physical assets.

(6) In connection with a restructuring transaction, to approve environmental assessment and compliance findings for related laws report, HUD form 4128.1.

(7) To issue a commitment to insure and endorse for insurance a mortgage note given to refinance a HUD-insured or HUD-held mortgage, pursuant to section 223(a)(7) of the National Housing Act (12 U.S.C. 1715n).

(8) For qualified nonprofit entities acquiring projects that are the subject of a restructuring transaction, to modify, assign, or forgive debt created in the restructuring.

D. The Deputy Assistant Secretary for Multifamily Housing and the Associate Deputy Assistant Secretary for the Office of Affordable Housing Preservation further redelegate to the Rehabilitation Escrow Administration Manager the following authority:

(1) To modify and sign any documents necessary to perform enumerated functions related to the rehabilitation needs of a project that was the subject of a restructuring transaction, and to waive any directive issued by OAHF that is not mandated by a statute or regulation.

(2) To administer escrow accounts and modify the agreement established under the restructuring transaction, for the purpose of addressing immediate and near-term rehabilitation needs of a project.

E. The Deputy Assistant Secretary for Multifamily Housing and the Associate Deputy Assistant Secretary for the Office of Affordable Housing Preservation further redelegate to the Bonds and Appeals Manager the following authority:

(1) To modify and sign any documents necessary to perform enumerated functions related to appeals under MAHRA and/or the regulations promulgated under MAHRA.

(2) To reject or hear and decide any appeal under MAHRA and/or the regulations promulgated under MAHRA, except for 24 CFR 401.645.



### Section VIII. Authority Excepted

The authority redelegated in Section VII.A. through VII.E. does not include the authority to issue or to waive HUD regulations. The authority redelegated in Section VII.A. through VII. E. does not include the authority to sue or be sued.

### Section IX. Further Redelegation

The authority redelegated in Section VII.A. through VII.E. may not be further redelegated.

**Authority:** Section 7(d), Department of Housing and Urban Development Act (42 U.S.C. 3535(d)).

Dated: June 5, 2012.

**Carol J. Galante,**

*Acting Assistant Secretary for Housing—Federal Housing Commissioner.*

[FR Doc. 2012-15071 Filed 6-19-12; 8:45 am]

**BILLING CODE 4210-67-P**

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5557-D-06]

### Delegations of Authority for the Office of Housing—Federal Housing Administration (FHA); Delegation of Authority for the Office of Healthcare Programs

**AGENCY:** Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

**ACTION:** Notice of Delegation of Authority.

**SUMMARY:** This document supersedes all previous delegations of authority and specifies the delegations and redelegations of authority for the Office of Healthcare Programs within the Office of Housing. The Office of Healthcare Programs is headed by the Deputy Assistant Secretary for Healthcare Programs and Associate Deputy Assistant Secretary for Healthcare Programs, who report directly to the Assistant Secretary for Housing—Federal Housing Commissioner and the General Deputy Assistant Secretary for Housing—Deputy Federal Housing Commissioner.

**DATES:** *Effective Date:* June 5, 2012.

**FOR FURTHER INFORMATION CONTACT:** Ivy Jackson or John Whitehead, Office of Healthcare Programs, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street SW., Room 6264, Washington, DC 20410-8000, telephone number 202-708-0599. (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.

**SUPPLEMENTARY INFORMATION:** This notice supersedes all previous delegations including the delegations and redelegations published in the **Federal Register** on October 12, 2006 (71 FR 60179), and those contained in memoranda signed by the FHA Commissioner and titled “Redelegations for Sections 232 and 242 Programs,” dated November 6, 2008, February 1, 2010, and April 20, 2010.

The Office of Healthcare Programs (OHP) is centrally organized and administered out of HUD Headquarters and headed by a Deputy Assistant Secretary. It includes managers and staff members outstationed to field locations. OHP reviews and approves mortgage insurance proposals for hospitals (Section 242 of the National Housing Act) and residential care facilities (Section 232 of the National Housing Act) and handles asset management and property disposition matters related to HUD’s Section 232- and Section 242-insured portfolios. OHP also administers all matters under Title XI of the National Housing Act (mortgage insurance for group practice facilities), but this program is currently inactive. Prior to the creation of OHP, the Section 242 hospital program was administered by the Office of Insured Health Care Facilities (OIHCF), and the Section 232 residential care facilities program was administered by the Office of Multifamily Housing Programs (MHP). A 2008 realignment consolidated administration of HUD’s health-care facilities programs under the Office of Insured Health Care Facilities (OIHCF), with some responsibilities remaining with MHP. Following approval of a reorganization in May 2010, the Office of Healthcare Programs came into existence and OIHCF ceased to exist. HUD determined that the reorganization was necessary because underwriting and oversight issues unique to health-care facilities were best handled by a specialized office with particular expertise in the health-care area.

There are three major program offices within OHP, each of which is headed by a Director who reports to the Deputy Assistant Secretary for Healthcare Programs and the Associate Deputy Assistant Secretary for Healthcare Programs. A general description of each program office appears below:

**A. Office of Hospital Facilities.** This office develops and implements policies and guidelines for the loan origination, asset management, and post-insurance activities related to Section 242 mortgage insurance for hospitals.

**B. Office of Residential Care Facilities.** This office develops and implements policies and guidelines for the loan origination, construction, asset management, and post-insurance activities related to Section 232 mortgage insurance for residential-care facilities. These facilities include nursing facilities, assisted living facilities, and board and care facilities.

**C. Office of Architecture and Engineering.** This office provides architectural and engineering support for the hospital program and as-needed consultation for the residential care facilities program. It develops and implements policies and guidelines for plans and specifications, construction contracts, construction monitoring, construction draws, and closeout of the facility construction. This office also provides professional consultation for hospital facilities, including site visits for those projects that are in financial distress.

The Office of Healthcare Programs is charged with carrying out duties of the Assistant Secretary and General Deputy Assistant Secretary for Housing, as they relate to healthcare facility programs set forth in HUD’s governing legislation. These programs enable HUD, in concert with participants from the private and public sectors, to provide affordable capital financing for the construction, rehabilitation, refinancing, and purchase of health-care facilities. Under this delegation, the Assistant Secretary for Housing—Federal Housing Commissioner, General Deputy Assistant Secretary for Housing—Deputy Federal Housing Commissioner, and Associate General Deputy Assistant Secretary for Housing redelegate broad program authority to the Deputy Assistant Secretary for Healthcare Programs and the Associate Deputy Assistant Secretary for Healthcare Programs. Characterizing the authority that is being redelegated in broad or general terms will enable the Deputy Assistant Secretary for Healthcare Programs and the Associate Deputy Assistant Secretary for Healthcare Programs to perform all functions necessary to accomplish health-care facility program tasks and objectives. The basic health-care program functions and a brief description of each are as follows:

**1. General Authority.** This authority allows Office of Healthcare Programs officials to sign any and all documents necessary to carry out business within their program jurisdictions. In addition, this authority allows such officials, when considering a proposal, to waive, for good cause and with written