

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

[Docket No. FR-5076-D-07]

**Delegations of Authority for the Office of Housing—Federal Housing Administration (FHA); Redelegations of Authority Regarding Multifamily Housing Programs and Health Care Programs****AGENCY:** Office of the Assistant Secretary for Housing-Federal Housing Commissioner, HUD.**ACTION:** Notice of revocation and redelegation of authority for multifamily housing and health care programs.**SUMMARY:** On August 11, 2003, the Assistant Secretary for Housing-Federal Housing Commissioner issued comprehensive redelegations of authority for the Office of Multifamily Housing Programs and the Office of Insured Health Care Facilities (OIHCF). The notice of redelegations of authority was published on August 20, 2003. Today's notice of redelegations of authority updates and amends the notice that was published on August 20, 2003. The authority redelegated is reprinted in its entirety but reflects changes that have been made to the redelegations of authority regarding multifamily housing and health care programs since August 20, 2003.**DATES:** *Effective Date:* September 15, 2006.**FOR FURTHER INFORMATION CONTACT:** Janet Golrick, Assistant 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 1-(800) 877-8339.**SUPPLEMENTARY INFORMATION:**

Amendments to the comprehensive redelegation of authority, published on August 20, 2003, were executed at different times over the course of approximately two years in response to emerging needs of the Office of Multifamily Housing Programs and OIHCF.

On March 17, 2004, the Assistant Secretary for Housing-Federal Housing Commissioner (Assistant Secretary) issued a redelegation of authority (that was not published), authorizing the Deputy Assistant Secretary for Multifamily Housing and the Associate

Deputy Assistant Secretary for Multifamily Housing to carry out all functions of a source selection official in connection with multifamily procurement actions. In addition, each Hub Director was redelegated source selection official authority in connection with field-office based procurements, subject to the limitation that the individual contract amount is less than \$10 million

On March 3, 2005, the Assistant Secretary issued a redelegation of authority that made several additional amendments to the redelegation published on August 20, 2003. The nature of each amendment is as follows:

The introductory paragraph, immediately under the heading Section III. Multifamily Housing Programs and Healthcare Programs—Authority Redelegated, was amended to reflect the recently created position of Assistant Deputy Assistant Secretary for the Office of Multifamily Housing Programs. A new section III.AA identified this new position and sets forth the functions to be carried out by the incumbent.

An amendment to Section III.F. function (2), indicated that Hub Operations Officers and Program Center Directors can issue a firm commitment for mortgage insurance if the principal amount of the mortgage did 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.

Amendments to Section III.F. function (3) indicated, initially, that in relation to field office personnel, only the Hub Director could issue certain notices that advise program participants that they are in violation of a regulatory agreement or housing assistance contract. An additional amendment set forth a number of functions that would continue to be carried out by authorized officials in Headquarters but no longer in the field.

Finally, in view of workload considerations and to make business operations more efficient, the Assistant Secretary amended Section V. Further Redelegations.

With regard to OIHCF, on September 30, 2005, the Assistant Secretary entered into a 5-year interagency agreement (IAA) with the Department of Health and Human Services (HHS) under which HHS acts as an agent of HUD in administering aspects of the health-care facilities insurance program. The IAA is referenced in Section I.C. of this notice.

**Section I. Multifamily Housing Programs: Office of Housing Organization****A. Office of Multifamily Housing—Headquarters**

All Office of Multifamily Housing managers in Headquarters and in the Field report to the Deputy Assistant Secretary for Multifamily Housing and the Associate Deputy Assistant Secretary for Multifamily Housing. In Headquarters, there are five major Multifamily Housing offices, each of which is headed by a Director. These offices and a general description of each appear below:

**Office of Multifamily Housing Development**

This office develops and implements policies and guidelines for the loan origination aspects of FHA multifamily housing and health care mortgage insurance programs, excluding Section 242 hospitals, from pre-application to final endorsement of the mortgage note. The office is also responsible for Multifamily Accelerated Processing (MAP) and Section 542 Risk-Sharing policies and procedures, including lender approval and lender monitoring. Office of Housing staff provide technical guidance to the HUD/FHA multifamily housing field staff, the industry, and other Headquarters offices.

**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, also include nursing homes, 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 also has oversight for subsidy payments for the Sections 202/811 elderly and disabled programs. 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. In support of asset management, the Office of AM defines business requirements for automated systems development and modification.

**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.

**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.

**Office of Program Systems Management**

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

*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 18

Hubs, each of which also has a Program Center sometimes (referred to as Projects Management Staff) co-located with the Hub. Each Program Center administers programs for the immediate geographical area of the Hub, whereas the Hub oversees operations for the broader geographic area. There are 33 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.
Buffalo		New York State, except for New York City Metropolitan Area.
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		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 and the Associate Deputy Assistant Secretary for Multifamily Housing Programs.

### *C. Office of Insured Health Care Facilities (OIHCF)*

OIHCFC reviews and approves mortgage insurance proposals for hospitals and handles asset management and property disposition matters related to HUD's insured hospital portfolio. OIHCFC also administers all matters under Title XI of the National Housing Act (mortgage insurance for group practice facilities). Prior to the creation of OIHCFC, hospital mortgage insurance applications were processed within the Office of Multifamily Housing. However, because of underwriting and oversight issues unique to hospital care facilities, HUD determined to create this separate office with particular expertise in the health care area. Unlike the usual case where applications for mortgage insurance are submitted to the local Program Center, insurance proposals for hospitals are submitted to OIHCFC at HUD Headquarters. Most OIHCFC staff is in Headquarters, while some are out-stationed to New York City. The Director and the Deputy Director of OIHCFC report directly to the Assistant Secretary and the General Deputy Assistant Secretary for Housing-Deputy Federal Housing Commissioner (General Deputy Assistant Secretary). In making its determinations, OIHCFC also oversees work performed by personnel in the Department of Health and Human Services (HHS), pursuant to an Interagency Agreement that most recently was executed between the two departments on September 30, 2005, and contains a 5-year term. OIHCFC also makes limited use of resources in the Office of Multifamily Housing's field structure. In order to facilitate transactions in hospital insurance cases, particular authority is being delegated to Hub Directors in Multifamily Housing field offices. However, this authority may be exercised only pursuant to the prior direction or concurrence of the OIHCFC Director.

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

The Office of Multifamily Housing is charged with carrying out duties of the Assistant Secretary and 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. Some programs make access to assisted living facilities more affordable. [Note: Multifamily Housing programs and functions related thereto do not include activities performed by the Office of Housing under the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (FHEFSSA) (12 U.S.C. 4501 et seq). A separate office within Housing, the Office of Government Sponsored Enterprises Oversight, assists the Assistant Secretary in carrying out the provisions of the FHEFSSA.]

Under this delegation, the Assistant Secretary redelegates 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, and the Director of OIHCFC.

Characterizing the authority that is being redelegated by the Assistant Secretary in broad or general terms 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 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 and in OIHCFC, 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. Production*

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 conditional or 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 (and regulatory 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 financial 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 contracts.

#### *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 are certain actions remaining, such as final disbursements to joint venture partners, which will enable the program to be terminated.

#### *I. Hospital Mortgage Insurance*

Functions for the hospital mortgage insurance program cover the range of activities from the pre-commitment stage through property disposition. The functions include the same kinds of activities described above for the multifamily insurance program and fall within the generic categories of production, asset management, and property disposition.

#### *J. 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 all budget and funding responsibilities associated with the Rental Assistance Programs (RAP) (i.e., Section 8 but not Sections 202/811, RAP, Rent Supplement, Project-Based Section 8, and Service Coordinators), 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 Section 8 Financial Management Center (FMC) and the accounting staff in the Office of the Chief Financial Officer. The work with the FMC primarily focuses on the impact of funding and payment when initiating conversions from HUD Central Accounting and Program System Maintenance (HUDCAPS) to Line of Credit Control System (LOCCS). 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. Another function is to serve as a liaison and coordination with counterpart staff in the field offices to provide training and guidance, and to assure that funds are obligated and contracted.

### **Section III. Multifamily Housing and Health Care Programs—Authority Redelegated**

The Assistant Secretary and the 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 and the Associate Deputy Assistant Secretary of the Office of Multifamily Housing Programs; and (2) through the above Deputy Assistant Secretary and Associate Deputy Assistant Secretary, to the Assistant Deputy Assistant Secretary of the Office of Multifamily Housing; and (3) through

the Assistant Deputy Assistant Secretary to the Headquarters Multifamily Directors listed below; and (4) through the Headquarters Multifamily Directors, to the Headquarters and Field Office managers listed below; and (5) to the Director of the Office of Insured Health Care Facilities, the following power and authority

*A. Deputy Assistant Secretary and Associate Deputy Assistant Secretary of the Office of Multifamily Housing Programs*

Authority is redelegated, on a nationwide basis, to take all actions necessary to conduct all multifamily housing programs, other than the mortgage insurance program for hospitals, 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 the conduct of the portfolio reengineering program, re-authorized 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; and
- (10) All source selection official functions.

*A.A. Assistant Deputy Assistant Secretary of the Office of Multifamily Housing*

Authority is redelegated, on a nationwide basis, to take all actions necessary to conduct all multifamily housing programs, other than the mortgage insurance program for hospitals, in relation to 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 property disposition functions; and

- (6) (All functions necessary to the conduct of Section 8 contract administration oversight/funding.

*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 other than the mortgage insurance program for hospitals, 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;
- (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, other than the mortgage insurance program for hospitals, 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, re-authorized 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, portfolio reengineering program and, except as noted in the specific delegations below, the hospital and Title XI mortgage insurance programs. 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, and to endorse notes for mortgage insurance for loans issued under the hospital and Title XI mortgage 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;

(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 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 Buffalo, 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, Only*

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 Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998 (Pub. L. 106-65).

*J. Director, Office of Insured Health Care Facilities*

Authority is redelegated, on a nationwide basis, to take all actions necessary to the conduct of the mortgage insurance program for hospitals including the exercise of 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, except that the authority to authorize commitments for mortgage insurance is subject to the prior authorization of the Assistant Secretary;

(3) All asset management functions; and

(4) All property disposition functions.

#### **Section IV. Authority Excepted**

The authority redelegated in Sections III.A. through J does not include authority to issue or waive regulations, or to implement the authority contained in the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501 *et seq.*).

#### **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 may not be further redelegated by the officials identified in Sections V.A. through V.J., 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. Any such delegation, or withdrawal thereof, need not be published in the **Federal Register**, but shall be in writing and maintained for public inspection in the Hub, affected Program Center(s), and the Washington, DC, Headquarters Office of Multifamily Housing. If work is transferred from one Hub to another, the delegation must also be approved in writing by the Deputy Assistant Secretary or Associate Deputy Assistant Secretary for Multifamily Housing.

#### **Section VI. Revocation of Delegations**

All prior redelegations of authority from the Assistant Secretary to staff in the Office of Multifamily Housing and in the OIHC are hereby revoked and/or superseded. The Assistant Secretary for Housing—Federal Housing Commissioner or the General Deputy Assistant Secretary for Housing—Deputy Federal Housing Commissioner may, at any time, revoke any of the authority redelegated in this notice. Notice of any revocation 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: September 15, 2006.

**Brian D. Montgomery,**

*Assistant Secretary for Housing—Federal Housing Commissioner.*

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