March 16, 2015

Office of General Counsel  
Regulations Division  
Department of Housing and Urban Development  
451 Seventh Street, SW, Room 10276  
Washington, DC 20410-0001

RE: Section 8 Housing Assistance Programs Proposed Management and Occupancy Review Schedule  
[Docket No. FR-5654-N-02]

To Whom It May Concern:

The National Association of Housing and Redevelopment Officials (NAHRO) is pleased to submit comments in response to the Department of Housing and Urban Development’s (HUD’s) Proposed Management and Occupancy Review (MOR) Schedule. NAHRO represents more than 3,100 agencies and over 20,000 individual members and associates. Our members include owners of Section 8 multifamily properties as well as current and former Performance-Based Contract Administrators (PBCAs).

NAHRO is pleased that the Department continues to be interested in finding ways to reduce administrative burdens for its grantees and contractors. In recent years, federal appropriations for the Project-Based Rental Assistance (PBRA) program have faced significant uncertainty and the Department has continued to draw out the protracted legal battle over the selection of Project-Based Contract Administrators (PBCAs), increasing the difficulties faced by owners of PBRA properties. NAHRO believes that the Department’s proposed changes to the Management and Occupancy Review Schedule would be helpful to minimize interruptions in property operations created by onsite reviews, preserve staff time and reduce costs. In addition we agree with the Department that conducting MORs annually is not necessary to mitigate risk for properties that consistently receive high marks on the MOR. We encourage HUD to implement the proposed MOR schedule that is based on both the project’s annual MOR rating and HUD’s risk-based asset management model to reduce the administrative burden to PHAs and others that own project-based rental assistance developments. NAHRO also encourages the Department to consider such principles when developing the next iteration of the Public Housing Assessment System and Section 8 Management Assessment Program.

NAHRO remains concerned that the litigation on PBCA contracting persists and we continue to strongly support maintaining a level playing field in the competition for contracts under the Section 8 Performance-Based Contract Administrators initiative. NAHRO encourages the Department to comply with the decisions of the courts and return predictability to the PBCA process.

In addition to our comments on the proposed Section 8 MOR schedule, we will submit feedback related to the proposed changes to the rules that govern vacancy payments in a separate letter.

Preston Prince, CME, President; Stephen W. Merritt, PHM, Senior Vice President; Terry M. Feveryear, PHM, Vice President-Housing; Elizabeth S. Glenn, Vice President-International Research and Global Exchange; Diane Haaslip, SPHM, CMMO, CMVO, CMPO, Vice President-Member Services; Harden A. Oldfield III, CME; Vice President-Professional Development; Dionne Roberts, Vice President-Community Revitalization and Development; Deanna Wagner, NCC, Vice President-Commissioners; Saul N. Ramirez, Jr., Chief Executive Officer
We appreciate the Department’s continued commitment to the important work of reducing the administrative burdens placed on its partners. If NAHRO can assist in any way, please do not hesitate to contact us.

Sincerely,

Janelle A. Beverly, Section 8 Policy Analyst