



OFFICE OF FAIR HOUSING
AND EQUAL OPPORTUNITY

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-2000

September 18, 2018

MEMORANDUM FOR: Office of Policy, Legislative Initiatives and Outreach, Program Standards and Compliance Division Staff

FROM: Sylvia Whitlock, Program Analyst, Office of Policy, Legislative Initiatives and Outreach, Program Standards and Compliance Division, EDP

SUBJECT: Future Updates to HUD-935

This memorandum explains the future changes that should be made to the HUD-935 and all related forms to ensure the content of the form matches protocol changes for FHEO's updated AFHMP reviews.

Background

Affirmative Fair Housing Marketing Plans (AFHMPs) are a requirement for certain types of multifamily housing, in accordance with the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, and Title VI of the Civil Rights Act. Executive Order 11063 also provides that Federal executive departments and agencies must act to end discriminatory practices for properties receiving federal financial assistance. All applicants for participation in FHA subsidized and unsubsidized multifamily housing with 5 or more units must complete the AFHMP form under 24 CFR 200.615. FHEO reviews those AFHMP forms for approval of both the initial and updated forms.

FHEO is currently required to review and approve all initial AFHMP plans under 24 CFR 200.625. Initial plans are required of the following, but are not limited to:

- All new subsidized and unsubsidized projects under the jurisdiction of Assisted Housing Programs;
- New Section 8 Project Based units;
- Any pre-1972 project that gets additional HUD funding (for rehab or sale) and have to do an AFHMP for the first time;
- Existing private (not FHA) housing that now comes under assisted housing program for the first time;
- Projects that transition to project based rental assistance (PBRA) through the RAD Program;

- All new SFH Developments if 5 or more homes are sold or are expected to be sold and they don't have an agreement to come under any other umbrella AFHMP. This includes manufactured home parks of 5 or more units; and
- New FHA Condos or Coop units if there are 5 or more.

FHEO is also required to review and approve updated AFHMPs under 24 CFR part 200 and 24 CFR 108.21. FHEO has stated previously that an updated AFHMP should only be submitted if:

- 5 years has elapsed since the last review, or
- the local jurisdiction's Consolidated Plan is updated, or
- when there are significant changes in the demographics of the housing market area

AND

- the respondent has conducted an analysis which determines that the population least likely to apply for housing is not identified in the currently approved AFHMP and /or the advertising publicity or outreach are no longer appropriate and require modification or expansion.

FHEO has changed its policy and will no longer be performing the 5 year updated AFHMP reviews, or the review triggered by an update to the local jurisdiction's Consolidated Plan. These types of AFHMP reviews consist of a large proportion of the reviews for field staff and typically involve no major changes in the marketing plans. Certain areas in FHEO's regions have implemented limiting 5 year reviews to only where there is an analysis conducted that there is a change in the population least likely to apply for housing, or when there is a waitlist that was previously closed and has recently reopened. These changes in those areas have already reduced workload and concentrated AFHMP review work in central regional locations so that the reviewers can maintain a high degree of expertise and consistency across their reviews. However, this centralization might not be possible in all regions, based on staffing. Since the requirement for the timing of updated AFHMPs is not located in statutory authority, it is a policy decision whether to eliminate that form of review.

Changes to be Made

Under Question 2a. of the HUD-935 there is a field that requests the reason for the updated AFHMP submission. This field should be revised to only allow for updated AFHMP submissions in accordance with whether there has been a significant change in the demographics of the housing market area and the population least likely to apply is not currently addressed in the project's approved AFHMP.

This form will not expire until January 30, 2021.

If there are any questions, please contact me at 202-402-4580.

Internal HUD Distribution:						
Identification Lines: Future Updates to HUD-935						
Correspondence Code	Originator EDPP			Concurrence	Concurrence	Concurrence
Name	Sylvia Whitlock					
Date	9/18/18					

Official Record Copy

U.S. Department of Housing and Urban Development
Previous edition is obsolete.

form HUD-713.1 (02/03)