

RISK FACTORS TO BE CONSIDERED  
IN PLANNING AFHM MONITORING ACTIVITIES

- A. Scheduling. Factors to consider in scheduling monitoring visits include the following:
1. Travel funds;
  2. Availability of staff;
  3. Date(s) on which marketing is to begin for a particular project or projects going into initial sales or rent-up;
  4. Workload as determined by when the Field Office anticipates the receipt of a large number of applications for community development and/or housing;
  5. Possibility of concurrent monitoring of several programs; e.g., Community Development Block Grants, Section 8 Existing Housing, and PHA Review; and
  6. Avoidance of overlapping reviews with the Regional Office of FHEO relative to specific projects (see paragraph 5-4b(3) below for further guidance).
- B. Selection of Projects to be Visited. Selection of projects to be visited shall be based on the current year's Management Plan and the following criteria:
1. Geographic Area. One or more housing market area(s) should be selected in which to coordinate the targeting of Field Office monitoring with Regional Office compliance reviews.
    - a. In determining how large a geographic region should be included in a given Housing Market Area (HMA), FHEO staff should include the locations of those existing and proposed projects, subdivisions and dwelling units which would offer real opportunities to persons regardless of the location of their current residence. FHEO staff should consult with the Field Office Economist in determining the boundaries of HMA(s).

- b. Factors which should be considered in the selection of HMA's which are to be targeted include, but are not limited to, the following:
- (1) Areas which have a known history of civil rights problems, particularly problems related to fair housing;
  - (2) Areas which have a demographic pattern which suggests highly exclusionary housing patterns, e.g., an urban county which has a low minority population and is located near a central city which has a significant minority population;
  - (3) Areas which have a large number of housing discrimination complaints;
  - (4) Areas which have a large number and broad range of HUD subsidized and unsubsidized housing units;
  - (5) Areas which include recipients of Community Development Block Grant funds which have FHEO monitoring findings related to implementation of the CHAS;
  - (6) Areas which include more than one jurisdiction; and
  - (7) Areas which have interjurisdictional agreements connected with subsidized housing programs.
2. Housing Types. Individual projects visited should include a broad range of housing programs, types of projects and locations. Examples include:
- a. Sales (including condominium and cooperative housing) and rental housing;
  - b. Single-family housing, mobile homes and multifamily structures;
  - c. Housing for elderly households and housing which serves nonelderly family households;

- d. Projects that have identified non-minorities as the group least likely to apply; projects which have identified minorities as the group least likely to apply; projects which have more than one minority group as least likely to apply without special outreach;
  - e. Projects that are in the initial marketing or rent-up stages and projects which have completed rent-up. Priority, however, should be given to the two former stages;
  - f. Projects financed by a State Housing Finance Agency.
  - g. Projects for which the Department has granted a residency preference, i.e., has allowed the applicant to reserve housing units for residents of the community in which the project was located; and
  - h. Projects with significant populations of persons with handicaps and families with children.
3. Avoidance of Duplication of Effort. To avoid duplication of HUD resources and a perception of harassment by applicants, the same project should not be subject to a monitoring visit and an on-site compliance review within a single fiscal year unless:
- a. A monitoring review reveals evidence that the Field Office believes may indicate noncompliance with the regulations. In this instance, the evidence should be referred to the Regional Office for compliance action; or
  - b. A compliance review reveals that the applicant needs technical assistance in modifying and/or implementing the approved Plan. In this instance, the Regional Office may request that the Field Office provide technical assistance to the applicant. Monitoring and compliance should be mutually reinforcing. Therefore, Regional Offices are encouraged to honor requests by Field Offices for compliance reviews; Field Offices are encouraged to honor requests by the Regional Office for technical assistance.

4. Projects with Known or Suspected Problems. Attention should be given to the projects where there is information, received orally or in writing, which suggests that the objectives of the AFHM Regulations may not be achieved.
  - a. Information which might suggest problems in the implementation of AFHM requirements includes the following:
    - (1) Administrative or citizen complaint;
    - (2) Sales or rental or other documentation report which indicates the absence or minimal participation (as applicants or tenants) of persons identified in the plan as least likely to apply without special outreach;
    - (3) Documented evidence of local opposition to the project at the time of HUD approval (e.g., newsclippings, letters); and
    - (4) Evidence of harassment of those identified as least likely to apply for the project, or of the owners of the project, or the sales or rental staff.
  - b. Written complaints alleging a violation(s) of the AFHM Regulation, or information ascertained in the absence of a complaint indicating an applicant's failure to comply with an AFHM Plan and written or oral complaints alleging denial of housing on the basis of race, color, creed, religion, sex, handicap, familial status or national origin shall be referred immediately to the Director of the Office of Regional FHEO.
5. Projects Owned or Managed by Persons or Companies Which do Substantial Business with HUD. If the previous participation of an applicant, or the sales or management agent is substantial, FHEO staff can reasonably expect future involvement in HUD's housing programs. Information gathered as a result of a monitoring visit may assist in the review of subsequent applications (see Chapters 3 and 4).