



Dear Partners and Stakeholders:

I am writing to you today with an update about the progress of the *Multifamily for Tomorrow* transformation. As you know, HUD is moving forward with its plan to transform the Office of Multifamily Housing. Since receiving the green light from Congress to move forward with *MFT*, we have been right on schedule for meeting every single milestone for the transformation of headquarters and the field.

The transformation will take place across the country in five consecutive waves over two years, and will include the following components: National workload sharing, the Underwriter Model and risk-based processing in Production, the Account Executive Model in Asset Management, and streamlining the organizational structure in headquarters and in the field. As these changes unfold across the country, we anticipate that our customers and stakeholders will experience better service, more efficient and consistent Multifamily operations, and improvements in our risk management processes.

### Streamlining the Organization

The first wave of our field transformation is underway in the Fort Worth / Kansas City region. Employees in this region have received their reassignment letters, and employees are beginning to relocate from the future Asset Management Servicing Offices, where Production operations are being consolidated, to the Regional Center in Fort Worth and the Regional Satellite Office in Kansas City.

In recent weeks, HUD leadership has partnered with the Union to visit the future Asset Management Servicing Offices in Wave 1 with the goal of meeting one on one with employees who will be impacted by the transformation. We have worked towards individual solutions for many of the impacted employees in those offices. These visits will continue with Wave 2 later this month.

As we roll out the new *MFT* model, we have posted to USAJobs.gov a total of 33 new positions in our Fort Worth / Kansas City region and 24 positions in headquarters. For many of these positions, we will have multiple vacancies and we have a great slate of candidates coming in. Interviews for these positions will be conducted through the end of this month.

We are on schedule for all employees in the Fort Worth and Kansas City region to be in place in their new locations and positions by October 6<sup>th</sup>. In addition to our Production employees who will be relocating, over 27% of Asset Management employees in the future Wave 1 Asset Management Servicing Offices have raised their hand to voluntarily relocate to either the Regional Center in Fort Worth or the Regional Satellite Office in Kansas City. We are very excited about this transition, which will be followed by comprehensive training for employees in these offices.

### Training Employees in the New Model

For the training program that will take place, we have developed a “train the trainer” model to ensure that HUD staff are both teaching and learning throughout the process. Development of the training content is underway, with nearly 60 field and HQ staff members involved in designing the content that will be taught to our 1,200 field staff nationwide. The training material will use a case-based model and will include involvement from our stakeholders.

Anchored in the standard work, the training program will ensure that all HUD staff, both long-time and brand-new, are equipped with the technical abilities and customer service skills needed to successfully operate the Underwriter Model and risk-based processing in Production, and the Account Executive Model in Asset Management.

We have already begun implementing pieces of the new model in Fort Worth and Kansas City, including single point of entry, single loan committee, and single newsletter.

### Workload Sharing

One of the four main transformation initiatives is workload sharing, which is designed to improve our workload management. In Production, we are very pleased that for the first time since before the housing market collapse, there is no longer a queue in the Production workload.

In Asset Management, our employees have been working diligently to develop the paperless infrastructure that will allow offices to share workload all around the country to ensure consistent workloads and processing times. This has involved scanning files electronically to manage the workload around the country.

The Fort Worth and Kansas City region has completed its scanning of 420 boxes with 4368 assets in preparation for workload sharing, and will be reassigning 1400 assets to the Asset Management service contract in the next week. This will provide Wave 1 employees with additional capacity as they transition into their new positions and locations and undergo their training regimen.

For the Chicago, Minneapolis, and Detroit region, the scanning process kicked off last month. Asset Management staff in that region delivered 180 boxes containing 839 quality controlled project files to Chicago in time for the start of the scanning process. The Wave 2 scanning project now underway and is scheduled to be completed by August 29th.

As *MFT* continues to roll out across the country, we will continue to share updates with you about the progress that is taking place. We thank you for your continued engagement as we move forward with building a better Office of Multifamily Housing for the future.

Sincerely,

Ben Metcalf