



United States Department of Agriculture

Office of the Secretary  
Washington, D.C. 20250

OCT 10 2018

The Honorable Robert Aderholt  
Chairman  
Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives  
2362A Rayburn House Office Building  
Washington, D.C. 20515

Dear Mr. Chairman:

In an effort to keep you informed of ongoing activities within the U.S. Department of Agriculture (USDA), I want to notify you of plans to realign staff positions within our Rural Development's (RD) Rural Housing Service, Section 538 Guaranteed Rural Rental Housing Program (GRRHP) and the Section 515 Multi-Family Housing (MFH) Preservation and Direct Loan Division (PDL).

Section 538 GRRHP provides Government loan guarantees made by private lenders to develop affordable rural rental housing with at least five units, and can be used to guarantee permanent financing or a combination of construction and permanent loans. RD State Office staff have a general understanding of GRRHP, but its infrequent use has resulted in a lack of in-depth operational knowledge that is required to process a loan application. The realignment will replace the current practice of processing applications and related documents in each State Office with an enhanced MFH Guaranteed Loan Division at the National Office. RD State Office staff will continue to market GRRHP.

Section 515 MFH PDL provides mortgage loans to develop rental housing for low-to-moderate income households. The realignment will replace the current practice of underwriting loans in each State Office with an enhanced MFH PDL at the National Office. The State Office will remain involved in servicing loans and the loan closing process.

The realignment will affect a total of 25 positions from the State Offices: 13 for GRRHP and 12 for MFH PDL. No additional resources or relocations are required for this realignment because employees selected for this new team will be virtual, remaining within their respective states. The accompanying enclosure reflects the realignment of these positions from the State Offices to the National Office. As the realignments will not result in an organizational change, no organizational charts are needed to reflect the movement of these staff positions.

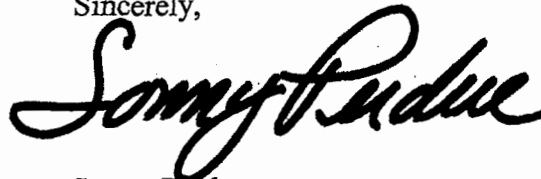
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The realignment of Sections 538 GRRHP and 515 MFH PDL is necessary to improve the consistency of program administration, delivery, and customer service.

We will continue to work with Congress, our stakeholders, and our employees to receive ideas on how to make USDA even more responsive to our customers' needs. My goal is for USDA to be the best-managed and most customer-responsive Agency in the U.S. Government, and I look forward to working with you as we move forward

If you have any questions, please have a member of your staff contact the Office of Congressional Relations at (202) 720-7095. A similar letter will be sent to Ranking Member Sanford Bishop, Jr.

Sincerely,

A handwritten signature in black ink that reads "Sonny Perdue". The signature is written in a cursive, flowing style.

Sonny Perdue  
Secretary

Enclosure