

Multifamily Housing Grievance Procedures | FAQs

Grievance Definition

For the purposes of describing the USDA Rural Development applicant or tenant grievance process, a grievance is defined as a “complaint – or a strong feeling – that you have been treated unfairly.”

Grievance Process Overview

We believe the best way to resolve grievances is through an informal meeting between applicants or tenants and the property owner. We encourage owners and tenants to try to reach a mutually satisfactory resolution to the problem.

Q: What are grievance procedures and why were they established?

Answer: Grievance procedures are designed to ensure there is a fair process for addressing applicant or tenant concerns, and to ensure fair treatment if an action or inaction by an owner – including anyone designated to act for an owner – adversely affects applicants or tenants of multifamily housing financed by USDA Rural Development.

Q: To whom do grievance procedures apply?

Answer: Any applicant or tenant can file a grievance using these procedures.

Q: To what types of situations do grievance procedures apply?

Answer:

1. Failure to maintain the premises to ensure access to decent, safe, sanitary, and affordable housing
2. Owner violation of lease provisions or occupancy rules

3. Modification of the lease and occupancy rule changes
4. Rent changes not authorized by USDA Rural Development
5. Denial of occupancy
6. Other adverse actions that result in a denial, significant reduction, or termination of benefits to an applicant or tenant

Q. To what types of situations do grievance procedures NOT apply?

Answer:

1. Rent changes authorized by USDA Rural Development
2. Complaints involving discrimination
3. Multifamily housing properties in which an association of tenants exists, and the association and the owner have agreed to use an alternative method of settling grievances
4. Changes in occupancy rules or other operational or managerial practices required by USDA Rural Development in which proper notice has been given according to law and lease provisions
5. Lease violations that would result in tenancy termination and eviction
6. Disputes between tenants not involving the property owner
7. Displacement or other adverse actions against a tenant because of the owner’s loan prepayment to USDA Rural Development

Q: How do I file a grievance?

Answer:

1. The applicant or tenant must communicate to the owner in writing any grievance to a notice within 10 calendar days following an adverse action or receipt of a notice of intent to take an adverse action.
2. Owners must offer to meet with tenants to discuss the grievance within 10 calendar days of receipt.
3. If the grievance is not resolved to the applicant's or tenant's satisfaction, the owner must then prepare a summary of the problem and submit it to the applicant or tenant and USDA Rural Development within 10 calendar days. The summary must explain the:
 - a. owner's position
 - b. applicant or tenant's position
 - c. result of the meeting
4. The applicant or tenant also can submit a summary to USDA Rural Development (see regional contacts below).

Q: What is the process if the grievance is not resolved during the meeting and a hearing is required?

Answer:

1. A hearing request must be submitted to the property owner within 10 calendar days of receipt of the informal meeting summary.
2. Selection of a hearing officer, hearing panel, or standing hearing panel occurs
3. Examination of records follows
4. The hearing is scheduled

5. If a grievance involves a rent increase not authorized by USDA RD, or a scenario in which an owner is alleged to have failed to maintain the property in a decent, safe, and sanitary manner, tenant rent can be deposited into an escrow account (provided the tenant's rental payments are otherwise current).

Q: What happens if a hearing isn't requested within the required time frame?

Answer: If the applicant or tenant does not request a hearing within the time provided, the owner's disposition of the grievance will become final.

Q: What happens at the hearing?

Answer:

1. The hearing will proceed before a hearing officer or hearing panel at which evidence will be received.
2. The hearing must provide basic due process safeguards for both the applicant or tenant, and the owner
3. The applicant or tenant must present evidence that they are entitled to the relief sought. The owner must present evidence showing the basis for action, or failure to act, addressing the reasons for the grievance.
4. The hearing officer or hearing panel must require that the owner, the applicant or applicant, counsel, and other participants or spectators conduct themselves in an orderly manner.

5. If either party or their representative fails to appear at a scheduled hearing, the hearing officer or hearing panel can postpone the hearing for no more than five days, or can determine that the absent party has waived their right to a hearing. If it is determined that the absent party has waived their rights, the hearing officer or panel will decide on the grievance. Both the applicant or tenant and the owner must be notified in writing of the determination.

Q: What happens with the decision?

Answer:

1. The hearing officer or panel has the authority to affirm or reverse an owner's decision.
2. The hearing officer or panel must prepare a written decision within 10 calendar days of the hearing. The decision will not be effective for 10 calendar days to allow time for USDA RD to review.
3. The hearing officer or panel must send copies of the decision to the applicant or tenant, the owner, and USDA RD.
4. The decision is binding unless the parties to the hearing are notified within 10 calendar days by USDA RD that the decision does not comply with federal regulations.
5. Upon receipt of written notification from the hearing officer or panel, the owner and tenant must take the necessary action – or refrain from actions – specified in the decision.

Notice of Adverse Action

The owner must notify applicants or tenants in writing about any proposed actions that could have adverse consequences. Examples include denial of admission, or changes in the occupancy rules or lease. The written notice must give specific reasons for the proposed action and must also advise applicants or tenants of the right to respond to the notice within 10 calendar days after the date of the notice and also the right to request a hearing. Multifamily properties in areas with non-English-speaking applicants or tenants must send notices in English **and** in the majority non-English language.

Q: I still have questions. Who can help me?

Answer: You can email USDA Rural Development Multifamily based on your Region. Be sure to include your contact information, the property name and location.

Northeast Region

MFHFODNortheast@usda.gov

(CT, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT, WV)

Midwest Region

MFHFODMidwest@usda.gov

(IA, IL, IN, KS, MI, MN, MO, ND, NE, OH, SD, WI)

Southern Region

MFHFODSouth@usda.gov

(AL, AR, FL, GA, KY, LA, MS, NC, OK, PR, SC, TN, TX, VI)

Western Region

MFHFODWest@usda.gov

(AK, AZ, CA, CO, HI, ID, MT, NM, NV, OR, UT, WA, WY)