

NAHP Update

Resources for the Planet— and Your Bottom Line

BY CATHERINE A. SMITH

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ENERGY STAR is a government-backed program that helps businesses and individuals protect the environment through superior energy efficiency. For affordable housing providers, ENERGY STAR offers proven, turn-key solutions for cost-effectively increasing energy efficiency.

LOTS OF INFORMATION

ENERGY STAR measures can be incorporated into new and existing housing, providing long-term value that benefits the bottom line, the well-being of the community, and the environment. These solutions may be product-specific or systems-based. For example:

- Products (such as appliances) in more than 60 categories are eligible for the ENERGY STAR designation. They use less energy, save money, and help protect the environment. (www.energystar.gov/index.cfm?fuseaction=find_a_product)

- ENERGY STAR tools available online help evaluate buildings for their energy efficiency and offer actions to improve their efficiency. (www.energystar.gov/index.cfm?c=home_improvement.hm_improvement_index)

FUNDING SOURCES

There are a number of potential funding sources available to property owners who wish to make a concerted effort at instituting energy-saving measures. As part of the American Recovery and Reinvestment Act (ARRA) funding are the following energy-specific programs. Although the deadline for 2009 submissions has passed for many of these programs, they are expected to be funded in upcoming fiscal years.

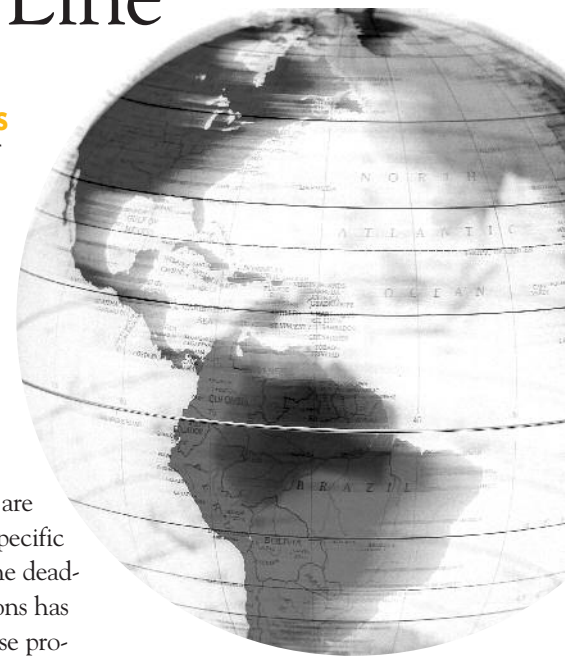
- **Elderly, Disabled, and Section 8 Assisted Housing Energy Retrofits.** ARRA provides \$2.5 billion to the Green Retrofit Program (GRP) for Section 202, Section 811, and Project Based Section 8. Funds can be distributed as either grants or loans of up to \$15,000 per residential unit and funds must be spent within to years.

- **HOME Investment Partnership Program.** This program provides funds to build, buy and rehabilitate homes for low-income people. ARRA appropriated \$1.5 billion, to be distributed under the 2008 formula. These funds are allocated to state and local entities to create

affordable housing through homeownership or rental assistance for low-income households. Funds are to be distributed by HUD automatically to participating jurisdictions.

- **Native American Block Grants.** The Native American Block Grants provide funding for new construction, acquisition and rehabilitation. The grants can also be used for energy efficiency and conservation improvements. ARRA appropriated \$510 million through NAHASDA—\$255 million to be distributed under same formula as 2008, \$242.25 million under competitive grants.

- **Energy Efficiency and Conservation Block Grant Program**



**NATIONAL AFFORDABLE HOUSING
MANAGEMENT ASSOCIATION
(NAHMA)—Protecting the
Interests of Affordable Housing
Property Managers and Owners**

(EECBG). Funds can be used for a variety of improvements. Of the \$3.2 billion appropriated in the ARRA, \$2.7 billion will be issued directly from the Department of Energy to states, cities, counties and Indian tribes as formula grants, with the remainder set aside for competitive grants and technical assistance through DOE.

■ **State Housing Finance Agencies (HFAs).** A number of state HFAs are promoting ENERGY STAR in their Qualified Allocation Plans (QAP), either via points for the use of ENERGY STAR-qualified lighting, appliances, windows, and HVAC equipment, or points for constructing new units to be ENERGY STAR qualified units. For information on state QAP application requirements and links to state HFA websites, visit the Affordable Housing Resource Center website (www.novoco.com/low_income_housing/lihtc/qap_2007.php).

■ **Weatherization Assistance Program.** The Weatherization Assistance Program (WAP) allows low-income families to apply for assistance in weatherizing their homes to increase efficiency and reduce their utility bills. Under ARRA, families with an income of 200 percent of the poverty level or less now qualify for WAP, whereas the cutoff was previously 150 percent. The assistance provided per home cannot exceed \$5,000 on average per state; there is no specific maximum amount of assistance that can be provided per dwelling. These funds were allocated by DOE to the states on March 23rd, 2009 to be distributed to

projects which could be started expeditiously, with a goal of distributing half of these funds for projects which can be started by June 17th, 2009.

■ **Public Housing Capital Fund.** The Public Housing Capital Fund provides funds for capital and management activities of Public Housing Agencies (PHAs). ARRA appropriated \$4 billion for public housing capital funds.

■ **Self-help Assisted Homeownership Opportunity Pro-**



ENERGY STAR MEASURES can be incorporated into new and existing housing, providing long-term value that benefits the bottom line, the well-being of the community, and the environment.

gram (SHOP). SHOP provides funds to national and regional nonprofit organizations to purchase and develop home sites through volunteer labor. ARRA appropriated \$10 million with priority given to sustainable, affordable single and multifamily units in low-income, high-need rural areas. Applicants must meet ENERGY STAR construction standards and use ENERGY STAR labeled products and appliances based on the FY 08 SuperNOFA.

TOOLS AND RESOURCES

There is an abundance of information on cost-effective measures, how to procure and purchase the tools and resources, and outreach materials that communicate the value of ENERGY STAR for affordable housing. Among these are:

■ **ENERGY STAR Bulk Purchasing tool,** which connects buyers with suppliers of energy-

efficient products (www.quantityquotes.net/).

■ **Purchasing and Procurement Resources,** which helps those in charge of procurement make cost-effective purchase decisions (www.quantityquotes.net/).

■ **New Homes Partner Locator,** which provides methods for contacting homebuilders, home energy raters, lenders and program sponsors involved in promoting energy efficiency (www.energystar.gov/index

[.cfm?fuseaction=new_homes_partners.showHomesSearch](http://www.energystar.gov/index.cfm?fuseaction=new_homes_partners.showHomesSearch)).

■ **Building Life Cycle Cost Programs,** which were developed by the National Institute of Standards and Technology to provide help in analyzing capital investments in buildings (www.bfrl.nist.gov/info/software.html).

■ **The Database of State Incentives for Renewables and Efficiency,** which is a comprehensive source for state, local, utility, and federal incentives that promotes renewable energy and energy efficiency (www.dsireusa.org).

■ **The Database for Incentives and Joint Marketing Exchange,** which is a tool that identifies regional incentives and marketing opportunities for promoting ENERGY STAR qualified products (www.energystar.gov/dime).

For outreach and marketing, see:

■ **Presentation on ENERGY STAR and Affordable Housing,** a Power Point presentation about the benefits of deploying ENERGY STAR in the affordable housing sector (www.energystar.gov/index).

■ **Fact Sheet on ENERGY STAR and Green Home Building,** which shows how energy efficiency is the foundation for any green home building program (www.energystar.gov/ia/new_homes/Green_Begins_with_ENERGYSTAR_Blue.pdf).

■ **ENERGY STAR's Change a Light Outreach Campaign,** a national campaign encouraging all Americans to join with millions of others and take small, individual steps that make a big difference in the fight against global warming (www.energystar.gov/index.cfm?fuseaction=globalwarming.showPledgeHome).

Other resources include:

■ **HUD's Energy Action Plan** (www.hud.gov/energy/).

■ **U.S. Department of Energy's (DOE) Building America Program** (www1.eere.energy.gov/buildings/building_america/about.html).

■ **HUD Energy Guidance** (www.hud.gov/offices/pih/programs/ph/phecc/resources.cfm).

■ **Recognition Program** (www.energystar.gov/index.cfm?c=bldrs_lenders_raters.pt_affordable_housing_recognition).

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Confidential Information Protecting Your Tenants and Your Company

By Rebekah Near and Vicky Methven

In the wake of ever-increasing reports of identity theft and data breach, our federal legislators have passed many laws to help protect us. The Gramm-Leach-Bliley Act, that act's Safeguards Rule, the Fair and Accurate Credit Transactions Act (FACTA) and the Fair Credit Reporting Act (FCRA) are just a few. The Federal Trade Commission (FTC) and various state agencies are tasked with enforcement. Noncompliance with some of these can carry some pretty stiff fines ranging upwards of \$2,500 and, in some cases, a \$1 million and possible jail time.

CASE IN POINT AND COSTS

ChoicePoint, a data broker, suffered a substantial breach of security and was sued after having provided thousands of people's information to illegitimate businesses. The reported settlement was \$15 million dollars. Now, even on a small scale, with the average amount charged in an identity theft reported at about \$92,000, how many management companies could afford to have the information on our tenants—past, present and prospective—stolen from our offices?

There is much debate about which of the many laws applies to a particular business model. The one thing that seems to be very clear, however, is that if any business has a data breach, paper or electronic, and identities are stolen, that business will probably be open to a lawsuit. Having a “defense” in critical if this should ever happen.

As property managers seek to identify stable, creditworthy tenants, the information discovered can put companies at a higher risk. Safeguarding tenant and employee information in our files is not just a legal obligation but a moral one as well. In the wrong hands, personal information can devastate the lives of others. In addition, many landlords or property managers are small- to medium-sized businesses that could not with-

stand a lawsuit (class action or otherwise). There are many reasons to be proactive and to learn how to diligently protect the information.

EDUCATION IS PARAMOUNT

The FTC advises all businesses to take precautions, secure data and have a written plan in place for doing so. Training all employees to understand the plan and the spirit behind it is the key to a successful defense. Employees should be asked to sign a document stating that they will abide by the plan. The FTC has a booklet that includes many great ideas on how to safeguard information (www.ftc.gov/infosecurity).

DATA BREACHES

The Privacy Rights Clearinghouse, a nonprofit consumer information and advocacy organization, is another great resource (www.privacyrights.org). Through it, you can see how many companies whose security has been breached have your information. A few notable companies include Countrywide; Time Warner; Bank of America; the Veterans Administration; and, most recently, Heartland Payment Systems, the sixth largest payments processor in the U.S.

There are people out there who want the information in our files. Let's work diligently to protect our tenants, protect ourselves and protect our businesses. Make privacy and security a priority. Have a plan to thwart identity theft and educate your employees about what is at stake if security of information is breached. **NU**

Rebekah Near is CEO of Orca Information, Inc., which provides tenant and employment screening (www.orcainformation.com), and Vicky Methven are a Certified Identity Theft Risk Management Specialist and an independent associate of Prepaid Legal Services, Inc. Both are members of the Affordable Housing Management Association of Washington.

Are Kitchen Fires Causing You Heat?

By Al Shapiro



Kitchen grease fires are a curse of landlords and insurance underwriters alike. Resulting loss from these types of fires are rarely small and can damage entire buildings, causing tremendous loss of property, injury to people and even loss of life.

Otherwise fastidious landlords have a frustrating lack of control over the main cause of kitchen cooking fires—careless or distracted tenants leaving hot oil unattended on the stove.

According to the National Fire Protection Association (NFPA), cooking equipment fire comprises about 40 percent of all home fires and over one-third of home injuries. The vast majority of cooking fires occur when someone is frying on the stove. It is important to educate tenants about how easily fires can start and spread and provide a short list of “to do’s” if a fire does start.

For instance, they should know never use water to extinguish a grease or electrical fire, and that baking soda makes a good extinguishing agent. Common sense practices include:

- Be alert; watch carefully when cooking with oils or grease;
- Stay in the kitchen while cooking with oils or grease;
- Keep pot handles pointing inward;

- Keep flammable pot holders, packaging, towels, etc. away from heat sources;
- Have a pot lid handy to smother fires; and
- Know where the fire extinguisher is.

Making tenants aware of the hazards of cooking can help, but people are fallible, and fires will inevitably occur when a stove is left unattended, even just for a minute. It’s important to help protect tenants and buildings against an inevitable slip-up that could cost millions and cause serious injuries—and even death!

AVOIDING HUMAN ERROR

Education is important, but it also makes sense to override some of the “human element” and equip cooking units with devices that have been proven to reduce the frequency and/or minimize the severity of kitchen fires. Products are available that can prevent or extinguish stove fires and confine loss to minor clean up. Many property managers require them in the properties that they manage, plus they can be inexpensive (\$35-\$150 per unit) and easy to install. For example:

- The StoveTop FireStop® (formerly known as Range Queen) hangs from the range hood

above the burners and can extinguish grease fires before they spread to overhead cabinets and beyond to the rest of the building. The installation takes seconds (and requires no tools); it works on both electric and gas stoves; and activation leaves only a ruined dinner and some easy clean up. They are unobtrusive and easy to replace. They have an indicated useful life of five years.

■ The Safe-t-element™ claims to thwart fires from starting in the first place by modifying the stove itself. The product consists of cast metal “plates” that cover the coil burners, coupled with temperature regulators that cycle the burners off and on before they reach a temperature that will flash cooking oil. The device claims to prevent fires from starting in the first place. Installation may qualify the property for a premium credit with some insurers.

KEEPING INSURANCE PREMIUMS LOW

Fires not only cost you time and money, but frequent or severe losses can also have a negative impact on insurance rates for years to come. If a property’s physical assets are in satisfactory condition, losses become the most important determinant of

the price of insurance. Underwriters generally require the previous five years of loss history before they will quote a price for coverage, and their assessment includes an analysis of both the frequency of fires (kitchen or otherwise) and their severity. The fewer and less severe property losses you experience, the lower your property insurance premium is likely to be.

Consider this: If kitchen fires have been a problem for your properties, and by employing the above strategies you have eliminated the source of those losses, you or your broker can explain to insurers that your past kitchen fire losses are immaterial to your experience and they should be removed (or discounted) from your record.

The underwriters of your insurance have the same goals as you—safe, loss-free communities where accidents rarely occur and, when they do, injury or damage is minimized. Take advantage of the wealth of expertise available from insurers to lower your claims costs and make your properties safer.

An ounce of prevention in the kitchen is a valuable ingredient to your risk management recipe. **NU** Al Shapiro is a Senior Consultant with Albert Risk Management Consultants of Needham, MA.

Answers from Your Peers

The Fundamentals of EIV

Owners and management agents (O/As) are required by HUD to obtain and adequately verify annual income and benefit information in making rental housing subsidy determinations. To do this, they must use the Enterprise Income Verification (EIV) system. Some trainers are reporting that some O/As are not yet signed up to use EIV. Here is some basic information.

Q: How do I get to the EIV homepage?

A: Go to www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm. A web-based training on EIV is tentatively scheduled for October 21 and 22, 2009.

Q: How do I apply for access to EIV?

A: This depends on whether you are applying to be an EIV Coordinator or EIV User and whether you are an internal or external user. Instructions and forms for applying for access can be found and downloaded from the EIV Homepage at www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivapps.cfm.

Q: If I am using EIV, how do I know if I am an EIV Coordinator or an EIV User?

A: This depends on the role assigned to you at the time you were given access to EIV.

An EIV Coordinator would have completed the Coordina-

tor Access Authorization Form (CAAF), requested and received access from the Multifamily EIV Helpdesk, been assigned the HSC role to your projects/contracts, and been given administrative rights to provide access to individuals in your organization who are EIV Users. An EIV User would have completed the User Access Authorization Form (UAAF) and requested and received assignment of the HSU role and projects/contracts from the EIV Coordinator in your organization. An EIV User does not have any administrative rights.

Q: What is a WASS ID number? How do I get one?

A: A Web Access Secure System (WASS) ID number is used to log into HUD's secure systems such as EIV. It begins with an "M" for non-HUD staff. Instructions for applying for EIV access for multifamily housing programs are available at www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivapps.cfm, which contains instruc-

tions beginning on page four on how to apply for a WASS ID.

Q: How many EIV Coordinators can a management company have?

A: Five.

Q: How can an existing EIV User get upgraded to an EIV Coordinator?

A: An EIV User must first be upgraded to a WASS Coordinator role before he or she can apply to be an EIV Coordinator. The instructions for upgrading to a WASS Coordinator role can be found beginning on page four of the External (Non-HUD Coordinator/User) Instructions located at: <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivapps.cfm>. Once the EIV User has the WASS Coordinator role, he or she will then follow the guidance in the instructions for applying to be an EIV Coordinator.

For more questions and answers about EIV, see the answers to the first EIV webcast at www.hud.gov/offices/hsg/mfh/rhiip/eiv/training/eivwebcastqna.pdf. **NU**

Welcome New NAHPs!

NAHP

- >> Clarisse Caroselli
WinnResidential
Providence, RI
- >> Kerri Phillips
WinnResidential
Providence, RI
- >> Lisa O'Brien
WinnResidential
Malden, MA
- >> Scott Walker
AIMCO
Atlantic City, NJ
- >> Tamiko Rush
Milton Road Residential
Montgomery, AL
- >> Tara-Anne Walsh
WinnResidential
Providence, RI
- >> Michelle Tailsman
BostonLand Co.
Peabody, MA

NAHP Executive

- >> Susan Kelly
BostonLand Co.
Waltham, MA
- >> Michael Butler
The Housing Authority of
Tampa
Tampa, FL.
- >> Garne Wilder
Lawson Realty Co.
Summerville, SC

NAHMs

- >> Joy Peroni
Diversified Housing Services
Houston, TX



Love of Learning Leads to Opportunities

NAHP: Sue Streck, FHC, SHCM, NAHP, CPO

MANAGEMENT COMPANY: Bionic Real Estate Services, LLC

POSITION: Multisite Manager and Compliance Officer

YEAR OF CERTIFICATION: 2006

In the early '80s, Sue Streck was selling real estate when she went through a divorce. She got into property management so that she could work regular hours and be available to her children—"which is such a joke now because I work all the time," she says with a laugh. But with four grown children and two grandchildren, she now has the time to devote to her career.

And it's a career that has gone through a steady progres-

sion, thanks in large part to employers who were always willing to pay for training and allow her the time to take it.

Streck first started working at a 280-unit Section 8 property in Oklahoma City. "I was so sheltered," she says. "I didn't even know the government helped people pay their rent." She started out as a leasing agent/receptionist, moved up to handle occupancy, became assistant manager and then manager—all in a little more than two years.

Streck stayed with the management company but worked at different properties. When the owner of the management company neared retirement age, she "could see the writing on the wall." She went to work for a large management company in

Kansas City, Missouri and moved to Columbia, Missouri.

She stayed with that management company for about four years, working as a multisite supervisor. Then—small world!—Streck got a call "from the guy who managed that very first property I worked at." He now owned his own company and wanted to start a compliance department. She stayed with this company for another five years.

One of the partners in that company wanted to start her own company, Bionic Real Estate Services, LLC, and Streck joined her. She still works there, as both a multisite supervisor and a compliance officer. The company manages 18 properties and is growing.

Streck is a strong believer in education and is now the principal trainer for Heartland Affordable Housing Management Association (HAHMA). She trains about 15 classes per year, "almost another fulltime job." She finds it "very satisfying when I teach something and people do well at it." She recently received HAHMA's Multisite Supervisor of the Year Award.

Streck also makes a point of going to all of NAHMA's three annual meetings, which focus on legislation and regulation. There she "gets to know everything that is going to happen or might happen and all the reasons why." It's this openness to learning that has kept Streck on an upwardly mobile path in an industry she really enjoys. **NU**

PROTECTING THE INTERESTS OF AFFORDABLE HOUSING PROPERTY MANAGERS AND OWNERS

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