

# NAHMA News

PROTECTING THE INTERESTS OF AFFORDABLE HOUSING PROPERTY MANAGERS AND OWNERS

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## NAHMA Testifies on Section 8 Reform

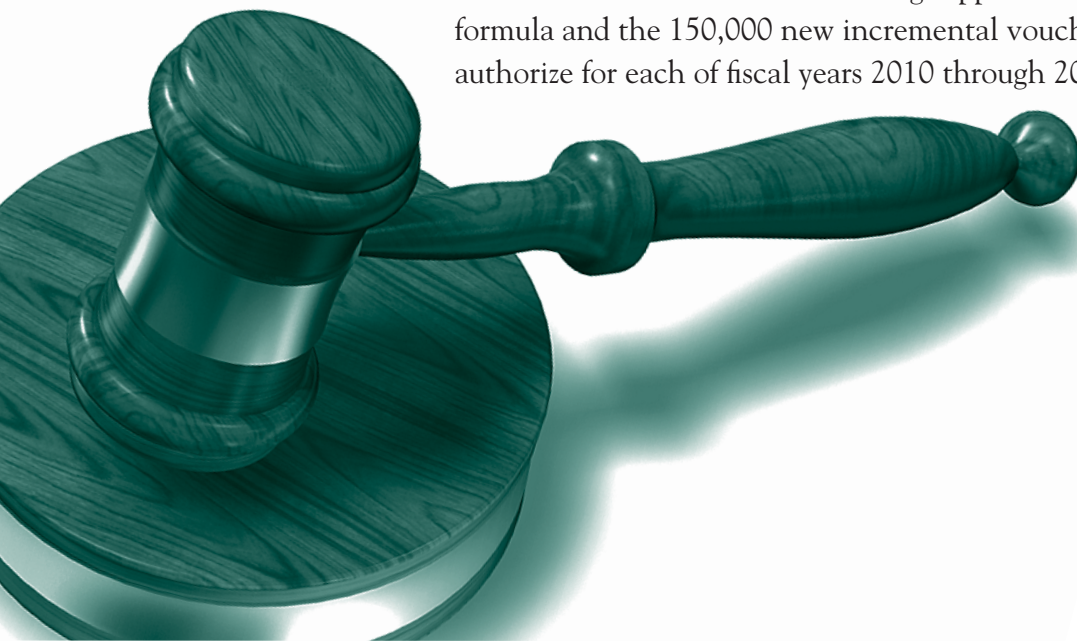
Supporters of affordable housing have been pressing hard for passage of the Section 8 Voucher Reform Act (SEVRA)—support which coalesced in testimony delivered to the House Financial Services Subcommittee on Housing and Community Opportunity in June 2009. As of July 24, the bill had been passed by the full committee.

The June 4 Subcommittee hearing focused on draft legislation, which was substantially different from the bill approved by the full committee. Karen Newsome, treasurer of NAHMA's board of directors and vice president of administration for WinnResidential, testified on behalf of NAHMA and its 20 regional AHMAs. Newsome stressed NAHMA's strong support for the Section 8 Voucher program, calling it a versatile and highly successful public-private partnership that is "helping to stabilize the lives of millions of families by providing them access to affordable housing of their choice."

Although Newsome's testimony included concerns with the draft bill, it focused on the positive results that can be achieved by:

- Creating greater efficiencies in the voucher inspection process;
- Authorizing a limited English proficiency technical assistance program at the Department of Housing and Urban Development (HUD); and
- Expanding the project-based and enhanced voucher programs.

She also voiced NAHMA's strong support of a stable voucher-renewal funding formula and the 150,000 new incremental vouchers that the draft SEVRA would authorize for each of fiscal years 2010 through 2014.

*continued on page 4*



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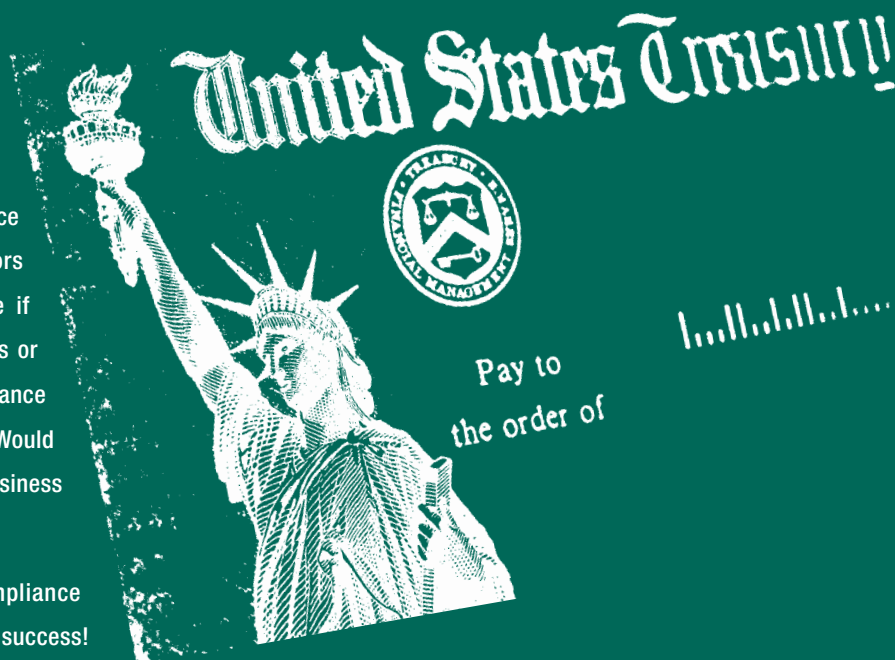
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The LIHTC manual is \$25 for NAHMA members and only \$20 per copy for volume orders of 100 or more.

Both publications can be ordered at NAHMA's web store at <http://www.nahma.org/store/>. **NN**

Kris Cook is Executive Director of NAHMA.

## A CALL FOR STREAMLINED INSPECTIONS

Newsome noted that the streamlined inspection process proposed in SEVRA would remove a major obstacle for voucher holders in tight rental markets. Before a Section 8 voucher holder can rent a specific apartment, she pointed out, the administering agency must first inspect the unit to confirm that it complies with HUD-prescribed Housing Quality Standards (HQS). "The resulting delays in lease-ups cause apartments to remain vacant. The financial implications of such delays are enough to deter many owners from participating in the program, especially in low-vacancy markets," Newsome said.

Calling SEVRA's proposed reforms "common-sense," Newsome expressed NAHMA's interest in SEVRA's provisions that will:

- Permit housing agencies to approve lease-ups in properties which passed inspections under a program with standards as least as stringent as the HQS, such as the HOME or the Low Income Housing Tax Credit (LIHTC) program. This would provide residents with much needed housing sooner, with owners not losing income due to delayed move-ins and help the voucher program work better with other federal rental-assistance programs;
- Allow minor repairs to be made after the tenant moves into the apartment; and
- Give public housing agencies (PHAs) the discretion to inspect units occupied by voucher holders every other year, rather than annually, for the term of the HAP contract.

## MORE TA FOR LEP RESIDENTS AND PROVIDERS

NAHMA testified that it strongly supports Section 17 of the SEVRA draft, which allows HUD to better serve persons with limited English proficiency

(LEP) by providing technical assistance to recipients of federal funds. NAHMA worked hard as part of a broad coalition of multifamily housing representatives and civil rights advocates to recommend language in the bill that addresses the issue of how such translations are funded.

NAHMA is especially interested in the provisions which:

- Create a task force of industry and civil rights stakeholders to identify vital documents (to include both official HUD forms and unofficial property documents);
- Require HUD to translate the vital documents within six months;
- Create a HUD-administered 1-800 hotline to assist with oral interpretation needs; and

**HUD's plans to consolidate this account "will make it increasingly difficult to secure funding for future translations, or to update the current translations when the documents change."**

- Authorize needed appropriations.

"NAHMA is very troubled," Newsome testified, "that HUD's FY 2010 budget proposes to eliminate the LEP program as a line-item account." HUD's plans to consolidate this account "will make it increasingly difficult to secure funding for future translations, or to update the current translations when the documents change." This would leave property owners on their own when it comes to providing LEP services.

"Secondly," Newsome said, "the six-month deadline for providing translated documents is essential." She noted that it took more than two years after the guidance became effective for HUD to issue translated multifamily model leases.

Unfortunately, the version of the bill passed by the House Financial Services Committee does not include the LEP section. However, NAHMA has learned from committee staff that Chairman Barney Frank intends to have the LEP section added back to the bill when it is considered on the House floor.

## EXPANDING SUPPLY THROUGH PROJECT-BASED VOUCHERS

Project-based vouchers are an important tool in expanding the supply of affordable housing, particularly when used with the tax credit program, Newsome said on behalf of NAHMA and its members. These vouchers allow owners to build affordability into their properties and will allow more families to access this important resource by allowing PHAs:

- To use an additional 5 percent of their budgets (above the 25 percent limitation) to project-base vouchers for special-needs populations, such as homeless or disabled families, for areas where vouchers are difficult to use or other categories HUD may establish;

- To increase the income-mixing limitation for the percentage of units in a property which may be project-based under certain circumstances;

- To provide current residents, at the request of owners, with project-based preservation vouchers (which are not subject to the PHA budget limitation or the limit on income mixing), an option that will protect the residents while ensuring that the actual units are preserved as affordable.

## PROTECTING RESIDENTS THROUGH ENHANCED VOUCHERS

As mortgages mature on subsidized properties (as will happen with more than 2,300 properties by the year 2013), tenants who receive rental assistance in these properties would become eligible for enhanced vouchers. However, there is no statutory requirement that residents have access to these vouchers.

"We are pleased that the SEVRA draft authorizes enhanced vouchers for tenants who live in properties with mortgages due



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to expire under the Section 221(d)(3) Below Market Interest Rate and Section 236 Interest Reduction Payment programs,” Newsome said, but she also reported NAHMA’s recommendation that the language clarify “that unassisted tenants living in those projects when the mortgages mature are also eligible for enhanced vouchers if they meet the income-qualifications described in SEVRA.”

#### NAHMA’S REQUESTED ADDITIONS TO SEVRA

Newsome iterated several additions NAHMA would still like to see in the bill. These include:

- Reducing tenants’ rent contribution for zero-bedroom units;
- Addressing ‘negative rents’ that result when a tenant’s utility allowance exceeds their rent contribution. “The process for

reimbursing the tenant is administratively burdensome,” Newsome said. “We ask the Subcommittee to consider including language in SEVRA which might include allowing owners ... to establish a reasonable minimum rent policy”; and

**“We ask the Subcommittee to consider including language in SEVRA which might include allowing owners ... to establish a reasonable minimum rent policy.”**

■ Addressing the issue of how a resident’s income is determined for the purpose of determining rent contributions.

Newsome pointed out that HUD’s income and rent determination regulation takes effect on September 30, 2009. NAHMA has advocated for owner/agent access to income-matching tools, such as the EIV system, to make sure that the proper level of assistance is received by eligible families. Although NAHMA continues to support—and even encour-

age—the use of EIV, the organization is “gravely concerned about HUD’s requirement” that they do so, Newsome said.

“We ask the Subcommittee to prohibit the mandatory use of EIV by multifamily owners and management


agents from taking effect on September 30 [and] be indefinitely postponed until such time as the well-documented administrative problems with this system are resolved and until the system may be used for income verification in the other major federal multifamily housing programs commonly used with HUD programs—the Low Income Housing Tax Credit and Rural Housing Service multifamily housing programs,” Newsome said.

“NAHMA members are concerned that they will face unfair sanctions for noncompliance due to staff turnover and delays which are beyond their control in HUD’s procedures for accessing EIV.”

#### CONCERNS WITH THE DRAFT BILL

NAHMA does have some concerns with the SEVRA bill as drafted, Newsome said. Aspects of concern include:

- The tightening of asset and income-eligibility restrictions, which may have unintended consequences in the form of administrative burdens for PHAs, owners, management agents, tenants and applicants; and
- The substantial changes for establishing fair market rents (FMRs), which could be an administrative burden for HUD and affect rents in as-yet-unknown ways. “NAHMA respectfully requests that the Subcommittee request a study by the Congressional Budget Office, the GAO or HUD on the potential effect of these changes prior to writing them into statutory law,” Newsome said. **NN**



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# NAHMA Stays on Top of Legislation During Changing Times

THE FIRST HALF OF 2009 HAS certainly been a year of change. The Obama Administration has staffed most key positions related to affordable multifamily housing at HUD, RHS and IRS. NAHMA has been reaching out to these new appointees to share our policy priorities. In mid-June, NAHMA also participated in a Preservation Roundtable discussion with the new Deputy Assistant Secretary for Multifamily Housing, Carole Galante.

Our message has been well-received.

## FOSTERING A LONG-SOUGHT PARTNERSHIP

For some time, NAHMA has called on HUD to restore a feeling of partnership with multifamily owners and management agents. It is encouraging that the senior HUD leadership understands the importance of the department's relationship and reputation with housing providers.

In his June 25 testimony before the House Financial Services Committee, Secretary Shaun Donovan discussed his commitment to take HUD in a new direction in order to preserve affordable housing. For example, he reaffirmed the Administration's commitment to fully fund project-based Section 8 contracts for 12-month terms. Likewise, Secretary Donovan elaborated,

"HUD needs to be a leader and a partner in preserving critical housing resources. Too often it seems that HUD policies and practices get in the way of preservation efforts instead of supporting them.

"That is going to change.

"Going forward, we are adopting a problem-solving ethos and collab-

orative working relationship with our partners (that is owners, residents and local government). I recognize that historically this may not always have been the case. The draft [affordable housing preservation] bill highlights the kind of practices that we can consider changing that will demonstrate this new partnership attitude. For example, when a property is undertaking substantial capital improvements, we can agree to establish the After-Rehab Section 8 rent upfront before the rehabilitation begins. That means that owners, lenders and their financial partners would have the certainty and confidence they need to undertake this new investment.

"Likewise, we can look at agreeing to enter into longer term Section 8 contracts, subject of course to annual appropriations and structured to provide HUD with flexibility to cancel contracts with owners of non-performing properties. This would boost tax credit investor confidence by demonstrating our intent to be a long term partner in the project. This type of action is particularly important at this time when investors are in short supply."

## REACHING OUT TO NEW MEMBERS OF CONGRESS

NAHMA has also remained actively engaged with our legislative contacts on Capitol Hill.

It would be an understatement to say this Congress has been much more proactive in moving legislation than in previous years. Within about six weeks after taking office, Congress sent a major economic stimulus bill to the president. Despite moving through the House and Senate at warp speed, this bill included

several key provisions requested by NAHMA. Among those successful requests were:

- A \$2 billion appropriation for full-funding of project-based Section 8 contracts;
- Two programs which provide gap financing for shovel-ready Low Income Housing Tax Credit properties experiencing equity investment shortfalls; and
- Funding for a green retrofit program to improve energy efficiency in affordable multifamily housing.

NAHMA has also helped to frame the debate on other legislative priorities by offering testimony at congressional hearings. For example, NAHMA member Karen Newsome represented our membership before the House Financial Services Subcommittee on Housing and Community Opportunity at a June 4 hearing on the Section Eight Voucher Reform Act (see page one).

Likewise, Executive Director Kris Cook submitted testimony about affordable housing preservation to the same subcommittee on July 15, and on April 16, she submitted testimony to the House Appropriations Transportation-HUD Subcommittee concerning the FY 2010 HUD Budget.

NAHMA's congressional testimony, white papers, grass-roots advocacy alerts, public comments to federal agencies, etc. result from the input of our members. You are the secret to our success! Please check our grassroots action webpage <http://www.nahma.org/content/grassroots.html> regularly to learn about exciting new opportunities for grassroots action. **NN**

*Michelle Kitchen is Director, Government Affairs, for NAHMA.*



## Recommendations for LIHTC Data Collection

ON MAY 27, 2009, NAHMA AND seven other industry organizations sent preliminary comments to HUD's Office of the General Counsel regarding the data collection methodology to be used for Low Income Housing Tax Credit (LIHTC) program.

The Housing and Economic Recovery Act of 2008 (HERA) requires the collection of certain demographic and economic information on households residing in LIHTC properties. The industry groups requested consideration of the following:

- Regarding data collection methodology, the organizations urged HUD to select the State HFA-LIHTC Data Transfer Standard (LIHTC-DTS) as the methodology for collecting data. This open industry data standard is accessible and available to any user and should be part of any data collection effort. They also recommended that HUD should call on state housing finance agencies (HFAs) to adopt the use of this standard in their data collection and reporting processes. This would further the HFAs' ability to comply with the statute's requirement to minimize the data collection burden upon property owners.

- Regarding household data collection, HERA requires HFAs to provide HUD information concerning the race, ethnicity, family composition, age, income, use of rental assistance under Section 8 or other similar assistance, disability status, and monthly rental payments of households residing in each Section 42 property.

In order to comply with these requirements and minimize the burden on property owners, the organizations find it reasonable to collect the following data from tenants:

- Race and ethnicity for the head of household or person(s) qualifying for the unit;
- Family composition and age for each per-

son residing in the unit under the age of 18;

- Disability status, answered by yes or no, based on whether at least one person in the household is considered disabled and/or needs the features of an accessible unit.

More specific information about the individual disability is not required by HERA and should not be included in the data collection effort, the organizations concluded. They are opposed in particular to the possibility that staff of property management companies, who are not trained in collecting and processing confidential data according to federal standards, might have to ask for proprietary information.

The organizations recommend that HUD collect all of the information it seeks by developing a form that builds upon the official form the Office of Housing has been using to collect race and ethnicity data from HUD-assisted tenants (HUD Form 27061-H).

The organizations also do not support the collection of Social Security numbers, "which would be a reasonable requirement only if established procedures to collect these numbers and prevent their unintended disclosure were already in place," the letter stated. "Collecting Social Security numbers places an additional burden on HFAs and property owners in a way that clearly goes beyond the requirements of HERA."

In addition to NAHMA, these preliminary comments were supported by the American Association of Homes and Services for the Aging, the Council for Affordable and Rural Housing, the Institute of Real Estate Management, the National Association of Home Builders, the National Leased Housing Association, and the National Multi Housing Council and National Apartment Association. **NN**

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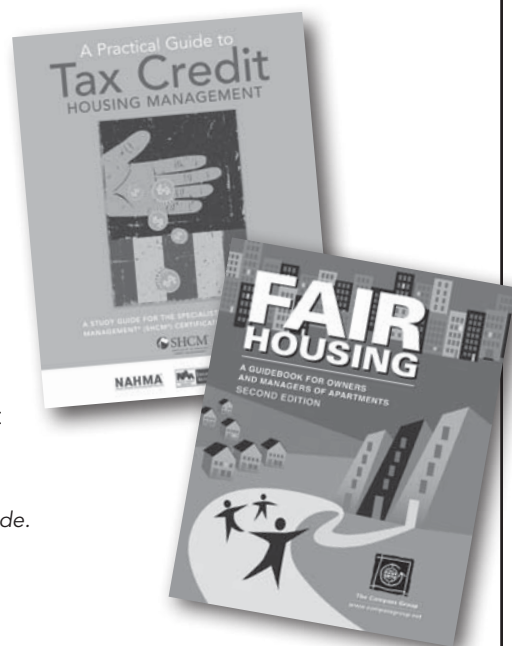
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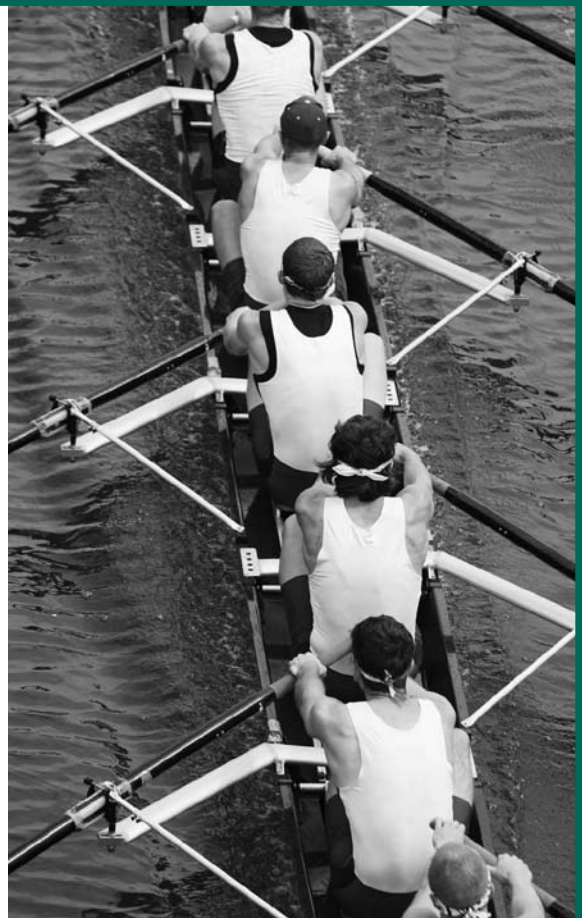
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# NAHMA Recommends Priorities for Improving HUD Programs

In a recently issued statement of housing policy priorities, NAHMA cited 10 areas where improvements are needed and that, if enacted, would restore owners' confidence in federal housing programs, streamline administration of the programs and increase the choices of affordable communities of quality for low-income Americans. These priorities include:

## **1 ENSURING FULL FUNDING AND TIMELY PAYMENT OF PROJECT-BASED SECTION 8 HOUSING ASSISTANCE PAYMENT (HAP) CONTRACTS.**

Late or partial funding of HAPs has an immediate and detrimental effect on the day-to-day operations of affordable properties. President Obama's FY 2010 budget proposes to preserve 1.3 million affordable rental units through a \$1 billion funding increase over FY 09 appropriations for the project-based Section 8 program.

NAHMA welcomed language in the HUD budget summary which states that "Annual renewal funding should be predictable, timely, and sufficient to fund rental contracts for a full 12 months, a sharp contrast to the short funding of contracts that occurred in recent years."

While optimistic that full 12-month funding will be approved, NAHMA also agrees with the U.S. Government Accountability Office (GAO) that HUD needs to implement three major initiatives to address the late payment problem. These are to:

- Streamline and automate the contract renewal process;
- Develop systematic means to better estimate the amounts that should be allocated and obligated to project-based housing assistance payment contracts each year, monitor the ongoing funding needs of each contract, and ensure additional funds are promptly obligated to contracts when necessary to prevent payment delays; and

- Notify owners if their monthly housing assistance payments and inform them of when HUD expects to make the payment.

## **2 OBTAINING RELIEF ACROSS THE AFFORDABLE PORTFOLIO FOR ESCALATING UTILITY/OPERATING COSTS.**

Because of its relationship to long-term sustainability of affordable housing properties, an insufficient Operating Cost Adjustment Factor (OCAF) is extremely problematic. Two key concerns are that restricted rents are not keeping pace with operating costs and that HUD lacks a mechanism to help properties offset unforeseen cost increases between rent adjustments.

In 2008 HUD abandoned the nine price indices used to develop OCAFs and replaced them with state-level data derived from changes in operating expenses reported by properties filing Annual Financial Statement (AFS) data.

This approach ties cost adjustments to what a property was able to pay in the past—which may not have any correlation to the true expense.

Meanwhile, a coalition of industry groups, including NAHMA, suggested a new approach via a Recognized Increased Cost (RIC) proposal.

The RIC plan would provide real-time, mid-cycle relief for unforeseen operating costs between rent increases. To date, HUD has declined to implement this proposal, and NAHMA is seeking a legislative change to enact it.

In the meantime, NAHMA is asking HUD to:

- Revisit its method for determining the OCAF, with emphasis on timely application and an accurate representation of operating cost increases; and
- Reconsider implementing the RIC proposal, or a comparable mechanism, to provide mid-cycle rent adjustments for unforeseen cost increases.

## **3 OBTAINING CLARITY AND CONSISTENCY IN APPLICATION OF HUD'S PREVIOUS PARTICIPATION CERTIFICATION PROCESS.**

The purpose of the previous participation certification process (also known as the 2530 process) is to ensure that prospective participants in HUD's multifamily housing programs have a history of carrying out their past financial, legal and administrative obligations in a satisfactory and timely manner. The current system requires owners/agents to submit 2530s every time they wish to do business with HUD. HUD analyzes the applicant's record to ensure it reflects an acceptable risk to the public interest.

Although the process is intended as a "risk assessment" tool, in practice, failure to receive timely 2530 approval precludes applicants from taking on new HUD-related property ownership or management opportunities.

HUD requires previous participation certifications to be submitted electronically through its Active Partners Performance System (APPS), although an option to submit paper 2530 certification forms still exists in the short-term (until HUD submits a revised 2530 regulation for Congressional review). The system also allows owners and management agents to see "flags" placed on their records for regulatory noncompliance.

NAHMA members report problems with both the policy and technical

aspects of this process. Among these problems are:

- Excessive processing time (often more than a month) on HUD's part;
- Lack of transparency in policy and procedures;
- Inconsistency among field offices on flag placement, flag removal and certification processing (the most common complaint of NAHMA members);
- Need for additional APPS training for HUD field staff; and
- Inaccurate information in HUD databases.

- Improving the predictability in scheduling of inspections;
- Providing much needed transparency and consistency in REAC policies;
- Finding a solution to the problem of lost points on REAC inspections for an uncovered elevator control box (which the manufacturer designed without a cover) when they are located in locked rooms;
- Offering greater assurance of professional, qualified REAC inspectors;
- Having all REAC inspectors produce a certificate of insurance (COI) naming the property as an additional named

expenses among the properties served by rotating or office staff (who are providing front-line services to the properties) conflicts with requirements of the Employee Retirement Income Security Act (ERISA) and the Internal Revenue Code (IRC).

In the interest of conforming HUD policies to federal laws governing retirement benefits, providing retirement security for front-line management staff and providing sound management on HUD properties by enabling managers to attract and retain knowledgeable, qualified staff, NAHMA is asking HUD to:

- Permit the hours worked by a rotating employee at all projects to be aggregated for purposes of determining whether the rotating employee is a full-time employee; and
- Immediately revise Section 6.38(e)(2) (b) of the Management Agent Handbook to eliminate existing conflicts with ERISA and the Internal Revenue Code, and make the changes retroactive to 2004.

## **NAHMA urged HUD to delay the effective date of the final rule, "Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs" by at least 60 days to allow for an appropriate review by the new Administration.**

NAHMA is asking new HUD leadership to:

- Place a high priority on publishing a workable, updated revision of the previous participation regulations;
- Use transparent regulations to eliminate many inconsistencies among field offices in processing certifications and removing flags; and
- Meet regularly with industry stakeholders to identify technical difficulties as well as areas of possible improvement to make the APPS system more user-friendly.

### **4 OBTAINING CLARITY AND CONSISTENCY IN REAC**

#### **INSPECTIONS, PROTOCOL AND SCORING.**

The Real Estate Assessment Center (REAC) is responsible for assessing the physical and financial condition of all public housing and multifamily housing projects assisted by HUD. Overall, REAC has been successful as an independent evaluation tool for the HUD portfolio. The most recent physical inspection scores confirm that the majority of HUD's multifamily inventory is in good condition. Nevertheless, there is room for improvement in the inspection process, specifically by:

insured, upon request of the property owner or agent. This requirement is necessary to protect HUD-assisted properties from having to absorb expenses for damage caused by a contractor acting on HUD's behalf;

- Increasing REAC inspectors' required minimum insurance coverage to \$2 million before they are permitted to conduct inspections;
- Having stricter conflict of interest standards for inspectors;
- Streamlining the inspection and appeals processes;
- Minimizing the burden of the inspection process on owners, management agents and residents by requiring inspectors to make their best efforts to complete inspections in one business day and during the property's normal business hours.
- Allowing for a more accurate reflection of the property's condition in the REAC score.

### **5 ENSURING HUD'S POLICIES REGULATING MANAGEMENT AGENTS DO NOT DISCOURAGE COMPANIES FROM PROVIDING 401(K) RETIREMENT BENEFITS TO ON-SITE MANAGEMENT STAFF.**

NAHMA is concerned that HUD's prohibition on pro-rating 401(k) benefit

### **6 IMPROVING HUD'S REGULATIONS AND PROCEDURES FOR ASSURING PROPER INCOME DETERMINATIONS.**

NAHMA shares HUD's goal of ensuring that the proper amount of rental assistance is received by eligible families. In public comments, NAHMA urged HUD to delay the effective date of the final rule, "Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs (Docket No. FR-4998-N03)" by at least 60 days to allow for an appropriate review by the new Administration. NAHMA identified specific areas of concern related to the definition of annual income and providing assistance to immigrant families.

Furthermore, NAHMA strongly urged the new Administration to indefinitely postpone the *mandatory* use of the Enterprise Income Verification (EIV) System in assisted multifamily housing until the difficulties accessing the system have been resolved and until other federal agencies (Rural Housing Service and Internal Revenue Service), whose housing programs are commonly used



with HUD rental assistance, receive access to the interagency databases in EIV. The effective date of the final rule is currently September 30, 2009.

NAHMA recommends that HUD:

- Revise the final rule to indefinitely postpone the mandatory use of the EIV system, and simplify the process to gain authorization and access to EIV;
- Clarify the definition of annual income and how to apply it;
- Revise the final rule to specify that Social Security numbers are not required from individuals in mixed families who do not claim eligible immigration status;
- Clarify which documents will be considered acceptable for verification of citizenship and/or immigration status; and
- Consider changes to the rent structure which might include allowing owners in assisted multifamily housing to establish a reasonable minimum rent policy.

## **7 IMPROVING THE PERFORMANCE-BASED CONTRACT ADMINISTRATION PROGRAM, INCLUDING THE TRANSPARENCY, FAIRNESS AND PROCESSES FOR CONDUCTING MANAGEMENT OCCUPANCY REVIEWS.**

NAHMA understands that major changes are ahead for the project-based Section 8 performance-based contract administration (PBCA) program, including that HUD plans to revise its annual contributions contract (ACC) with the PBCAs to build in flexibility to move or change PBCA tasks as HUD's business changes, and also to ensure PBCAs are more consistent in application of their responsibilities.

This revised ACC is expected to be completed and publicly available by October 2009. Further, HUD intends to re-compete all current PBCA contracts, with the goal of having all PBCAs who won the bids operating under the new ACC by January 1, 2011.

NAHMA is requesting that HUD use this opportunity to:

- Establish objective, transparent criteria for determining the ratings used on the HUD-9834 management review form;
- Prohibit PBCAs from imposing addi-

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## IMPROVING HUD PROGRAMS

tional regulatory requirements on owner/agents beyond what is required by HUD regulations; and

- Stagger the scheduling of management reviews, based on the overall rating listed on the HUD 9834.

### 8 ENSURING FEDERAL AGENCIES ALLOW APPROPRIATE PUBLIC REVIEW AND COMMENT PRIOR TO ISSUING NEW GUIDELINES, POLICIES, GUIDANCE OR HANDBOOK CHANGES, ETC. THAT IMPACT AFFORDABLE HOUSING.

NAHMA is extremely concerned by the manner in which HUD has changed longstanding policies, or issued new policies, without going through the formal rule-making process to provide for appropriate comment and review by industry stakeholders. It is urging the new Administration at the highest levels of leadership to emphasize the importance of transparency and issuing policy changes or guidance with proper administrative procedures.

NAHMA is requesting:

- A commitment from the Obama Administration to adhere to good guidance procedures as the minimum requirements for agency transparency;
- Timely communication of HUD policy changes, interpretations, or guidance which affect a housing provider's ability to keep the property in compliance with HUD requirements; and
- Reasonable implementation periods for placing new HUD policies into effect on the properties.

### 9 ENSURING HUD'S USE OF APPROPRIATIONS DESIGNATED TO PROVIDE SERVICES AND TRANSLATED DOCUMENTS FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY IS CONSISTENT WITH CONGRESSIONAL INTENT.

On August 11, 2000, President Clinton's Executive Order 13166 directed each federal agency to publish guidance for recipients of federal funds regarding obligations under Title VI of the Civil Rights Act of 1964 to provide persons with limited English proficiency (LEP) meaningful access to federal programs and activities.

In March 2007, HUD's final LEP guidance took effect. The guidance stated that recipients of HUD funding, including affordable rental housing providers, were obligated to provide translated documents and oral interpretation services to persons with limited English proficiency. However, at the time the guidance took effect, HUD had not provided additional funding to offset the costs associated with providing language services, nor had the Department identified a specific list of documents housing providers were expected to translate.

While NAHMA supported the goals of LEP guidance, it remained concerned about the unfunded costs to properties associated with providing language services. Congress has since taken important actions to improve implementation of the Department's LEP guidance, such as appropriating funding for HUD translations in FY 2008 and 2009.

NAHMA is working with the 111th Congress to ensure passage of the LEP authorization language this year. The organization strongly opposes the Obama Administration's FY 2010 budget proposal to eliminate the LEP line item account and merge the funding into a larger fund. NAHMA is concerned that removing the line-item appropriation and requiring LEP funding to come from an alternative, larger account will eliminate or minimize the money available for LEP translations.

NAHMA is requesting that HUD:

- Continue working with interested stakeholders to identify which documents should be translated and into which languages;
- Support legislation consistent with the LEP authorization language; and
- Rescind its proposal to eliminate the LEP line-item account.

### 10 ADVANCING AN INTERAGENCY WORKING GROUP WITH STAKEHOLDER PARTICIPATION TO IDENTIFY AND RESOLVE MAJOR REGULATORY CONFLICTS FOR MIXED SUBSIDY PROPERTIES.

Federal affordable multifamily hous-

ing programs span three agencies: the Department of Agriculture (USDA)—Rural Housing Service (RHS), the Treasury Department's Internal Revenue Service (IRS) and HUD.

In recent years, more and more properties are using multiple sources of government assistance from these three agencies to preserve, rehabilitate, and/or recapitalize the projects. It is increasingly common to preserve older HUD-assisted Project-Based Section 8 housing with Low Income Housing Tax Credits (LIHTC) administered by the IRS (and local state agencies). In fact, without the equity from the tax credits, many of the preserved HUD properties may have opted-out, defaulted on their mortgages or fallen into physical disrepair.

Likewise, mixed subsidy properties that combine RHS' Section 515 program with HUD's Project Based Section 8 rental assistance have existed for decades.

The Housing and Economic Recovery Act of 2008 (P.L. 110-289) included a number of provisions that remove major barriers to the development and management of mixed-financed properties. The new law also requires HUD and RHS to consult with IRS about coordinating rules and policies to facilitate using tax credits with their multifamily housing programs. An interagency working group would facilitate the required consultations. NAHMA also believes this working group would be enriched by the input of industry stakeholders.

NAHMA is requesting that HUD:

- Permit mandatory LIHTC compliance fees to be allowable project expenses on HUD properties;
- Spearhead an interagency working group to identify and solve regulatory conflicts among HUD, IRS and RHS multifamily housing programs; and
- Postpone the September 30, 2009 deadline for mandatory use of EIV in HUD assisted housing until RD and IRS also have access to the program.

To read all of the background to NAHMA's set of housing policy priorities, go to [www.nahma.org](http://www.nahma.org). **NN**

# Summer Meeting Examines LIHTC Issues



1

**PHILADELPHIA** was the site of NAHMA's annual summer meeting, and the focus was on regulatory issues, tax credits—and networking.

Held June 28–30, the event featured numerous committee meetings, forums, policy meetings and a tax-credit symposium. There was also time for receptions, a fundraising event for the NAHMA Educational Foundation, networking dinners, luncheons and tours.

Some of the key events included a HUD regulatory forum, two tax credit panels and numerous committee and other meetings.

Local AHMA—JAHMA and PennDel AHMA—served as co-hosts to the attendees and all events were supported with generous contributions from industry supporters [see boxes].

NAHMA's next general meeting will be held this fall, October 18–20, in Washington, D.C. **NN**

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1. NAHMA members take the trolley to the reception at Constitution Center.
2. Constitution Center reception
3. NAHMA members climb the steps of the art museum to take a photo with a "Rocky" impersonator.

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### SPECIAL THANKS

With the summer meeting being held in Philadelphia, two AHMAs went above and beyond the call of duty by finding sponsors and hosting two special events. NAHMA wishes to thank JAHMA and PennDel AHMA for the reception and tour held at the National Constitution Center on Independence Mall and for dinner at the Historic Water Works Restaurant and Lounge on the Schuylkill River at the base of the Philadelphia Art Museum. Special thanks also to the following companies for making these events possible.

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# NAHMA's Legislative Position on Key Bills

IN JUNE 2009, NAHMA ISSUED ITS positions on legislation pending in the 111th Congress.

Bills that it strongly supports receive the highest level of attention on the part of NAHMA staff. In some cases, NAHMA may propose draft legislation on such issues. NAHMA also seeks opportunities to offer Congressional testimony, meet with members of Congress and staff, initiate and/or sign onto letters with industry colleagues, proactively send position papers to members of Congress and/or staff, seek coverage in the trade press, and conduct other activities on behalf of its members.

While not among its highest immediate priorities, bills NAHMA supports receive attention in the form of letters (often sent in conjunction with industry colleagues) and meetings with members

of Congress and their staff, among other actions.

Legislation about which NAHMA is neutral does not receive the organization's attention either for or against it. This is also true of legislation of interest, but not directly applicable, to NAHMA members.

When NAHMA is opposed to proposed legislation, it expresses concern via letters with industry colleagues, meetings with members of Congress and staff, and other activities.

Bills that NAHMA strongly opposes receive immediate attention, just as do bills the organization strongly supports.

The status of bills listed below is as of press time. For additional information about these positions and their current status, please go to [www.nahma.org](http://www.nahma.org).

### **PRESERVATION AND NEW PRODUCTION**

**HR 1675, S 1481:** The Frank Melville Supportive Housing Investment Act of 2009

**Sponsor:** Rep. Christopher Murphy (D-CT), Sen. Robert Menendez (D-NJ)

**NAHMA Position:** Support

The act would provide assistance to private nonprofit organizations to expand the supply of housing for persons with disabilities through capital advances and contracts for project rental assistance, and it would also provide incremental vouchers to Section 811 properties through Tenant-Based Section 8. The bill would also modernize the capital advance program and the tenant selection process and increase tenant protections. The legislation would authorize a new pilot program to expand the supply of disabled housing through project rental assistance. Furthermore, the bill would make technical corrections to Section 811 to increase project flexibility, authorize appropriations for the new programs, and require HUD to issue new regulations and guidelines for the program within 180 days.

HR 1675 has been passed by the House and the compromise Senate bill awaits action.

**HR 1989:** Authorizing Rural Housing Section 538 Interest Subsidies for FY 2009

**Sponsor:** Rep. Shelly Moore Capito (R-WV)

**NAHMA Position:** Support

The act would reinstate the interest subsidies that were omitted from the FY 2009 Omnibus appropriations for the Section 538 rural housing loans.

The legislation has been introduced in the House and is currently awaiting consideration from the House Financial Services Committee.

**S118:** Section 202 Supportive Housing for the Elderly Act of 2009

**Sponsor:** Sen. Herb Kohl (D-WI)

**NAHMA Position:** Support

This legislation simplifies development and facilitates preservation of affordable, supportive, senior housing. The bill requires (rather than permits) HUD to approve reconfiguration of obsolete efficiencies into one-bedroom units where providers experience high vacancy rates. It allows the use of excess proceeds to further nonprofits' housing and services mission. To make preservation easier, subordination of debt is permitted. Finally, it creates a new project-based rental assistance program to allow the refinancing and rehabilitation of Section 202 properties built between 1959 and 1974 (the oldest segment of the 202 inventory).

The legislation has been introduced in the Senate and has been referred to the Banking Committee.

**HR 2336:** The Green Resources for Energy Efficient Neighborhoods (GREEN) Act of 2009

**Sponsor:** Rep. Ed Perlmutter (D-CO)

**NAHMA Position:** No formal position at this time.

The bill would direct HUD to establish energy efficiency standards and would authorize a variety of resources, including funding and participation incentives, for energy efficient HUD housing. Under the act, HUD would be required to establish a four-year, 500,000-unit demonstration program, funded by Congress, to highlight the cost effectiveness of meeting HUD's energy efficiency standards.

Provisions of the bill would require Fannie Mae and Freddie Mac to finance energy-efficient and "location efficient" mortgages as part of their goals to satisfy federal guidelines. The legislation would also create and provide \$2.5 billion for a Residential Energy Efficient

Block Grant program under HUD, similar to the CDBG. It would also provide \$50 million for an energy-efficiency and conservation demonstration program for HUD properties with project-based rental assistance.

HR 2336 has been introduced to the House and has been referred to the Financial Services Committee. It was included as an amendment to HR 2454, the American Clean Energy Security Act of 2009, which passed the House in June.

**HR 2876:** Rural Housing Preservation Act of 2009

**Sponsor:** Rep. Lincoln Davis (D-TN)

**NAHMA Position:** No formal position at this time, but oppose specific provisions

HR 2876 would require USDA to prepare and approve a long-term viability plan and a physical needs assessment, and create a financial plan for each project and develop a financial restructuring plan with preservation incentives. Under the proposed law, owners would be committed to long-term low-income rural multifamily housing usage for 30 years or the remainder of their loans and rents could not exceed 30% of adjusted income of the tenants. Finally, the bill would amend Section 542 to make voucher assistance available to each eligible household and permit USDA to extend rural tenant protection vouchers to families residing in foreclosed upon projects.

NAHMA's major concern is that restructuring would not be available to those who are involved in ongoing civil action to authorize the prepayment of the Section 515 loan for the eligible project or a damages action against the Emergency Low Income Housing Preservation Act of 1987, unless they agreed to pay the lesser of 50 percent or \$100,000 from the damages. NAHMA



opposes this because it would violate the settlement agreement and penalize owners who exercise their legal rights to prepay. The 30-year capital needs assessment is too far into the future to create a substantial outline of the property's needs for the period. NAHMA is recommending a capital needs assessment for 20 years in order to refinance and restructure. The bill has been referred to the House Financial Service Committee's Subcommittee on Housing and Community Opportunity.

**HR 384: TARP Reform and Accountability Act of 2009**

**Sponsor:** Rep. Barney Frank (D-MA)

**NAHMA Position:** N/A

The act would force the Treasury Department to provide better oversight in regard to spending and to detail the spending by firms participating in the program in order to release the remaining \$350 billion in the Troubled Asset Relief Program (TARP). There have been suggestions by the industry to allow TARP funds to be used to provide gap financing or other assistance to the LIHTC program, which has been experiencing a credit meltdown due to the financial crisis. NAHMA would support the use of TARP funds to stabilize the LIHTC program.

The bill has been passed by the House and has been introduced in the Senate.

Some TARP-related provisions were included in HR 1, which has been signed into law.

## TAX-RELATED HOUSING BILLS

**HR 1 (P.L. 111-5): The American Recovery and Reinvestment Act of 2009**

**Sponsor:** Rep. David Obey (D-WI)

**Position:** Strongly Support

The legislation enacted makes supple-

mental appropriations for job preservation and creation, infrastructure investment, energy efficiency and science, assistance to the unemployed, and state and fiscal stabilization to help restart the ailing economy. The bill included \$2.25 billion for LIHTC gap financing through HOME, \$2 billion to help fund the Project-Based Section 8 shortfall, \$1 billion in CDBGs, \$2 billion for the redevelopment of abandoned and foreclosed homes, and \$250 million for energy retrofitting and green investments in HUD-assisted housing projects. The bill also included a provision where states could exchange up to 40 percent of their 2009 LIHTC authority for cash at 85 cents for each dollar of LIHTCs.

However, the legislation did not include an accelerator to make LIHTC more attractive to investors nor did it include a five-year carry-back for LIHTCs, which could be used to offset the alternative minimum tax. NAHMA plans to request additional legislation to help address the long-term needs of the LIHTC program.

*The President signed this bill into law on February 17, 2009 as P.L. 111-5.*

## MANAGEMENT

**S 896, HR 1106 (P.L. 111-22): Helping Families Save Their Homes Act of 2009**

**Sponsor:** Sen. Chris Dodd (D-CT), Rep. John Conyers Jr. (D-MI)

**HR 1728: Mortgage Reform and Anti-Predatory Lending Act of 2009**

**Sponsor:** Rep. Brad Miller (D-NC)

**HR 1247: Protecting Tenants at Foreclosure act of 2009**

**Sponsor:** Rep. Keith Ellison (D-MN)

**Position:** Opposed

S 896, the Helping Families Save their Homes Act of 2009, prevents mortgage foreclosures, enhances mortgage credit availability, and includes tenant protec-

tion provisions. The tenant protection provisions originated with HR 1247, the Protecting Tenants at Foreclosure Act of 2009, and went through several revisions in HR, 1728, the Mortgage Reform and Anti-Predatory Lending Act.

The final tenant protection provisions that became law allow renters whose landlords have lost their properties to foreclosure the right to stay in the home for 90 days after the foreclosure or through the term of their lease, unless the property is sold to someone who will occupy the home.

The bill also provides similar protections to housing voucher holders but subjects purchasers of foreclosed buildings to existing Section 8 HAPs and requires them to honor the existing lease, unless the new owners plan to live in the building. If they plan to use the building as primary residence, they must give 90 days notice to the tenant.

The tenant protection requirements expire December 31, 2012.

*S 896 was passed by Congress on May 19, 2009 and signed into law (P.L. 111-22) on May 20, 2009. The tenant protections are effective now.*

## BUDGET AND APPROPRIATIONS

NAHMA generally does not list a public policy position on appropriations bills but does actively work to achieve the highest possible funding levels for multifamily housing programs.

**HR 1105 (P.L. 111-8): FY 2009 Omnibus Appropriations**

**Sponsor:** Rep. David Obey (D-WI)

**Key HUD FY 2009 Appropriations:**

■ Tenant-Based Rental Assistance Appropriation: \$16.8 billion

■ Project-Based Rental Assistance Appropriation: \$7.1 billion, \$400 FY 2010 Advanced Appropriation

Project-Based Section 8 funding also received a major boost from HR 1, the American Reinvestment and Recovery Act, i.e. the economic stimulus bill, of \$2 billion to help fund program shortfalls.

■ Limited English Proficiency (LEP) Funding: \$500,000

■ Section 202 Housing for the Elderly: \$765 million

■ Section 811 Housing for the Disabled Appropriation: \$250 million

■ HOME Appropriation: \$1.825 billion

■ FY 2009 CDBG Appropriation: \$3.9 billion (formula grant)

■ Hope VI Appropriation: \$120 million

It is important to note that the House Appropriations Committee directed HUD in its explanatory statement to prioritize the needs of the Project-Based Section 8 program when making decisions about the Working Capital Fund investments in systems and applications. The committee also directed HUD to submit a plan to the House and Senate Appropriations Committees by June 15, 2009 on the steps it will take to reduce the problems of late payments and to better track the contracts for Section 8.

### Key RHS FY 2009 Appropriations:

■ Section 515 Appropriation: \$65.9 million

■ Section 521 Rental Assistance Appropriation: \$902.5 million-through FY 2010

■ Section 538 Loan Guarantee Program Appropriation: \$129 million

■ Multifamily Housing Revitalization Program Account: \$27.7 million

*Both the House and the Senate have passed HR 1105 and the President signed it into law as P.L. 111-8 on March 11, 2009.*

**HR 3288: FY 2010 Transportation-HUD (T-HUD) Appropriations Bill**

On July 23, the House passed the FY 2010 T-HUD appropriations bill (HR 3288). The bill increased levels of funding for almost all HUD programs over FY 2009 levels and equal to or higher than the FY 2010 budget request.

The HUD funding summary includes:

■ Tenant-Based Section 8: \$18.2 billion; \$16.3 billion on contract renewals

- Increase over FY 2009 Appropriations: \$1.2 billion

- Increase over FY 2010 Presidential Request: \$406 million

■ Project-based Section 8: \$8.7 billion; \$8.47 billion on contract renewals

- Increase over FY 2009 Appropriations: \$1.2 billion

- Increase over FY 2010 Presidential Request: \$600 million

■ Section 202: \$1 billion; \$872 million for capital advance and project-based rental assistance awards with \$90 million for service coordinators

- Increase over FY 2009 Appropriations: \$235 million

- Increase over FY 2010 Presidential Request: \$235 million

■ Section 811: \$350 million; \$214 million for capital advance and project-based rental assistance awards

- Increase over FY 2009 Appropriations: \$100 million

- Increase over FY 2010 Presidential Request: \$100 million

■ HOME: \$2 billion

- Increase over FY 2009 Appropriations: \$0.175 billion

- Increase over FY 2010 Presidential Request: \$175 million

■ HOPE VI: \$250

- Increase over FY 2009 Appropriations: \$120 million

- Increase over FY 2010 Presidential Request: \$0

■ Community Development Block Grant (CDBG): \$4.6 billion

- Increase over FY 2009 Appropriations: \$725 million

- Increase over FY 2010 Presidential Request: \$174 million

■ Energy Innovation Fund: \$50 million; \$25 million for the Multifamily Energy Pilot

- Increase over FY 2009 Appropriations: \$75 million

- Decrease over FY 2010 Presidential Request: \$25 million

In addition, the House Appropriations Committee decided against funding the Administration's proposed Choice Neighborhoods Program, citing lack of program authorization and the duplication of HOPE VI activities. Furthermore, no funding has been set aside for limited English proficiency translations. For more information, visit the House Appropriations Committee website, <http://appropriations.house.gov/>.

The Senate Appropriations Committee passed its companion bill on July 30.

NAHMA has learned that the Senate has included \$500,000 for limited English proficiency funding in its version of the FY 2010 T-HUD Appropriations bill. NAHMA is now working with the House Appropriations Committee staff to ensure this important funding remains in the legislation when the bill goes to conference to resolve differences between the Senate and House versions. **NN**

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Susan C. Howell, Vice President  
Lawler Wood Housing, LLC

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800-929-3400 x444

## Rocky AHMA AD

sent the ad as four color  
twice—Renato is working  
with them

## HUD Handbook 4350.3 Rev.-1, Change-3 Issued

**CHANGE 3 TO HANDBOOK 4350.3 REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs, was issued on June 23, 2009. The effective date for implementation of Change 3 is August 1, 2009.**

The majority of the changes are corrections or clarifications to current handbook text. Some of the more significant changes are that it:

- Updates information on access to and use of the Systematic Alien Verification Entitlements (SAVE) system used for verifying the immigration status of individuals declaring eligible non-citizen status;
- Revises and expands the requirements for a live-in aide;
- Incorporates the requirements from Housing Notice H 03-07 on treatment of deployment of military personnel to active duty;
- Clarifies that the same requirements for treatment of federal government pension funds paid directly to an applicant's/tenant's former spouse pursuant to the terms of a court decree of divorce, annulment or legal separation also applies to Uniformed Services pensions and other state, local government, Social Security or private pension funds;
- Includes that owners may develop rules covering tenants conducting incidental business in their units and who receive incidental business income;
- Removes the requirement that signatures on the HUD Form 50059-A for gross rent increases must be obtained before submitting the data to TRACS. A note has been added that tenant signatures for gross rent changes (affecting the rent the household must pay or utility reimbursement) must be obtained within 60 days from the date the gross rent change is implemented by the owner, as evidenced by the owner's submission of the voucher whereby the owner begins vouchering for assistance based on the new rents;
- Clarifies that when HUD or the contract administrator terminates assistance payments when a new certification is not submitted to TRACS within 15 months of the previous year's recertification anniversary date, the owner must repay the assistance collected for the three-month period from the date the annual recertification should have been effective through the end of the 15th month when assistance was terminated;
- Includes TRACS 202C requirements, which include implementation of the new HUD-50059-A, Owner's Certification of Compliance with HUD's Tenant Eligibility and Rent Procedures—Partial Certification.

Handbook 4350.3 REV-1, CHG-3 is posted on HUDCLIPS at: [www.hud.gov/offices/adm/hud-clips/handbooks/hsggh/4350.3/index.cfm](http://www.hud.gov/offices/adm/hud-clips/handbooks/hsggh/4350.3/index.cfm). NN

# Change for Disclosure of Social Security Numbers

**O**n February 11, 2009, HUD issued a "Notice of Proposed Delay of Effective Date of the Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs Final Rule published in the Federal Register" that clarified that the requirement for the disclosure of a Social Security number **does not apply** to individuals in mixed families who do not contend eligible immigration status under HUD's noncitizens regulations. The rule also clarified that proration of assistance and screening for these families should continue according to existing requirements. In addition,

the eviction or denial of admission to individuals in mixed families cannot be authorized on the basis of the new requirement for the disclosure of a Social Security number.

Earlier, on January 27, 2009, a Final Rule was published in the Federal Register, the effective date of which was subsequently delayed to September 30, 2009, that revised HUD's regulations at 24 C.F.R. 5.216 covering the requirements for disclosure of Social Security numbers. The revision to the regulation requires disclosure of Social Security numbers by **all** individuals applying for or participating in HUD's rental assis-

## Art Contest Winners Hope for Healthy Futures

**IN ITS 23RD YEAR, NAHMA'S** annual art/calendar contest once again drew entries from all across the country. Thousands of children and elderly or special needs residents nationwide who live in affordable homes owned or operated by a member of NAHMA and/or a local Affordable Housing Management Association (AHMA) participated in the contest.

The traditional anti-drug message was complemented by the theme of "My Hopes, My Future—Healthy Minds and Healthy Bodies."

This year's grand-prize winner is Glenn Villalona, a seventh grader who lives in the Oxford Gardens in Providence, R.I. His entry was submitted by NEAHMA. Villalona's artwork will grace the cover of NAHMA's 2010 calendar. He will also receive a \$2,500 check from the NAHMA Educational Foundation, which will be presented in Washington, D.C. at NAHMA's fall meeting, October 18-20, 2009.

In addition to Villalona's cover art, 13 additional winners will have their work displayed on the inside pages of the 2010 calendar. Each of these winners will

receive a \$1,000 check from the foundation. Seniors who win receive cash awards made in the name of their community for use in purchasing a gift that will benefit all of the community's residents (e.g., books for the library, appliances for a community room, etc.). These winners will also appear in the 2010 calendar.

Artwork that earned an honorable mention will be featured in a special section of the calendar.

### GRAND-PRIZE WINNER:

Glenn Villalona, Grade 7-9, Oxford Gardens, Providence, RI, NEAHMA, First Realty Management

### WINNERS:

■ Yu-Tung Tiffany Wong, Grade 4-6, Oroy-som Village, Fremont, CA, AHMA NCNH, Mid-Peninsula Housing Management

■ Kenneth Amoah, Grade 2-3, Stratton Hill Park, Worcester, MA, NEAHMA, Corcoran Management

■ Alejandra Key, Grade 2-3, Sherwood Apartments, Edinburg, TX, SWAHMA, Wedge Management



tance programs who declare themselves to be a U.S. citizen, U.S. national or eligible noncitizen.

At the time of their next interim or annual recertification, current residents will be required to disclose and provide verification of Social Security numbers for all members of their household who declare themselves to be a U.S. citizen, U.S. national or eligible noncitizen, where disclosure and verification has not occurred.

Owners and management agents are encouraged to begin and continue informing applicants and residents who have not disclosed their Social Security

number, or the Social Security number of a child under the age of six, or who have certified they do not have a Social Security number, of this upcoming revision to the regulations as described above and their need to begin the process of obtaining a Social Security number.

In addition to the above, owners and management agents who have access to the Enterprise Income Verification (EIV) system should be verifying and correcting Social Security numbers for individuals listed on the Failed EIV Pre-screening and the Failed Verification Report as having invalid Social Security numbers. **NN**

- **Barbara Goodmiller, Senior, David Specter Shalom House, Albuquerque, NM, SWAHMA, Monarch Properties**
- **Nikkia Walker, Grade 4-6, Ashley Oaks, Charleston, SC, SAHMA, AMCS**
- **Sylvia Flores, Senior, Sherwood Apartments, Edinburg, TX, SWAHMA, Wedge Management**
- **Jazmin Moreno, Grade 4-6, Fawn Ridge Apartments, Spring, TX, AHMA-ET, Summit Housing Partners**
- **Clara Perez, Grade 10-12, San Felipe Homes, Los Angeles, CA, AHMA PSW, The John Stewart Co.**
- **Sarah Tucker, Grade 10-12, Council Grove Apartments, Missoula, MT, Rocky AHMA, Tamarack Property Management**
- **Gregory Moore, Grade 10-12, Mountain Village Apartments, Worcester, MA, NEAHMA, First Realty Management**
- **Nick Schiano, Grade K-1, Winteringham Village, Toms River, NJ, JAHMA, Interstate Realty Management**
- **Carlos Pacas, Senior, Whispering Fountains at Monrovia, Monrovia, CA, AHMA PSW, RPK Development**
- **Vivianna Salcido, Grade 4-6, Strathern**

**Park, Sun Valley, CA, AHMA-PSW, Thomas, Safran & Associates**

#### **HONORABLE MENTIONS:**

- **Alvin Russell, Senior, Westminster Gardens, Hammond, LA, LAHMA, National Church Residences**
- **Jazmin Rae Baldwin-Wood, Grade 2-3, Hawthorne Village, Moscow, ID, Idaho AHMA, Mercy Housing**
- **Tattanna Smith, Grade 2-3, Timberland Apartments, Williamsport, PA, PennDel AHMA, Interstate Realty Management**
- **Ghadir Amin, Grade 7-9, Southpark Apartments, Columbus, OH, MAHMA, American Apartment Management**
- **Brenda Melano, Grade 4-6, Queenstown Apartments, Mt. Rainier, MD, Mid-Atlantic AHMA, Edgewood Management**
- **Vivian Lee, Grade 7-9, Kukui Tower, Honolulu, HI, AHMA NCNH, EAH Housing Inc.**
- **Amanda Garres, Grade 7-9, Sherwood Apartments, Edinburg, TX, SWAHMA, Wedge Management**

## **NAHMA Educational Foundation Awards 48 Scholarships**

The Scholarship Committee of the NAHMA Educational Foundation met on June 28, 2009, to determine scholarship recipients for the 2009-2010 academic year.

Forty-eight individuals were selected from among 105 applicants in an extremely rigorous competition.

The grant recipients attend a wide variety of schools including Cornell University, Rutgers University, the University of Alabama, Humboldt State University, Boston University, the University of the Virgin Islands, the Pennsylvania College of Technology, Forsyth Technical Institute, Lawson State Community College, Camden County College, Morgan State University, Catholic University of America, Ramapo College of New Jersey, Texas Southern University, Tougaloo College, Pueblo Community College and the University of Louisville, among others.

The clear preponderance of those selected had grade point averages above a 3.0 on a 4.0 scale. Students ranged from entering college freshman to graduate-level students, and virtually all had impressive co-curricular backgrounds. Many of the selected applicants were already working part-time and/or volunteering in their chosen field of study.

Recipients from 20 states were selected. This year's winners live in apartment communities managed by 25 different management companies that are members of 10 different AHMA's. The applicants represented a wide-ranging demographic profile: 47 were over the age of 24; 29 were single parents; and three had GEDs in lieu of a regular high school diploma.

Since the scholarship's inception three years ago, the Foundation has awarded more than \$110,000 to 88 different recipients.

The Foundation extends congratulations to all recipients for their outstanding academic performance and their commitment to being involved in their schools and communities. Further, the Foundation wishes them continued success as they pursue a degree in their chosen field of study.

The NAHMA Educational Foundation encourages support from businesses, families, trusts and individuals as it looks to continue this worthwhile program. Anyone wanting more information about the scholarship program can contact Dr. Bruce W. Johnson, Scholarship Program Administrator, at [bwj@comacast.net](mailto:bwj@comacast.net) or at 215-262-4230. **NN**

# REGULATORY WRAP-UP

A NEW GRANT OPPORTUNITY FOR OWNERS AND MANAGERS of public and assisted housing is being offered through the Department of Commerce's National Telecommunications and Information Administration (NTIA). As more transactions related to government, employment, health, job training and education deliver services online, access to broadband is becoming increasingly necessary. In response, the Broadband Technology Opportunity Program (BTOP) is making funding available to connect unserved and underserved populations to this important infrastructure. BTOP's funding is made available through the American Recovery and Reinvestment Act (ARRA) to help achieve the Administration's goal of providing broadband access to all Americans. There are two grant categories within the BTOP that are applicable to housing organizations: the Public Computer Center Grant and the Sustainable Broadband Adoption Grant. Grant applications are being accepted from July 14 through August 14, 2009. Electronic applications will be available on or about July 31. Paper applications for grant requests of less than \$1 million will be accepted. To obtain the Notice of Funding Availability and application materials, please go to: [http://broadbandusa.sc.egov.usda.gov/info\\_lib.htm](http://broadbandusa.sc.egov.usda.gov/info_lib.htm). For additional information, please contact: The Broadband Technology Opportunities Program, 1401 Constitution Ave, NW, Washington, DC 20230. 202-482-2048. Email: [bttop@ntia.doc.gov](mailto:bttop@ntia.doc.gov).

## HUD NEWS

**NOW AVAILABLE ON HUD'S WEBSITE IN TRANSLATED LANGUAGES** (including Arabic, Armenian, Farsi, French, Korean, Portuguese, Russian, Spanish, Tagalog, Traditional Chinese and Vietnamese) are:

- The four multifamily model leases;
- Model Form of Notification of Rent Increase Resulting From Recertification Processing; and
- Document Package for Applicants/Tenant's Consent to the Release of Information (HUD 9887/A, Form HUD-9887, Form HUD-9887-A and Relevant Verifications). To access these documents, please see: <http://www.hud.gov/offices/fheo/promotingfh/lep.cfm#forms>.

**ON JUNE 18, 2009, AN UPDATED VERSION OF HOUSING NOTICE 09-03, *Exclusion of Deferred Department of Veterans Affairs Disability Benefits from Annual Income*, was posted on HUDCLIPS. The updated notice informs administra-**

## CHANGE COMES TO BIG BUY PROGRAM BUT LACKS FUNDING

**NAHMA AND OTHER INDUSTRY PARTNERS RECENTLY MET** with HUD's Office of Healthy Home and Lead Hazard Control and Multifamily Asset Management to discuss recent changes to the Big Buy program. The program was intended to help property owners meet the financial impact of complying with the Lead Safe Housing Rule by reimbursing a limited number of properties for some or all the cost associated with the obtaining the required lead hazard risk assessment.

The list of eligible properties has been narrowed down to 309 properties. Some properties were delisted because they were not required to do a risk assessment because they are elderly housing, receive less than \$5,000 in federal subsidies per unit per year, or post-1978 properties. HUD plans to notify owners who signed up for the Big Buy but are not required to perform the risk assessments that they have been removed from the list.

HUD has changed the Big Buy program from one in which it directly pays for the risk assessment to one in which the owner pays and is reimbursed by HUD at a maximum of \$525 per unit. HUD received \$2 million in the FY 08 appropriation for the Big

Buy. This will not be enough to complete the risk assessments on all 309 properties. At the current level of funding, 200 of the properties would not be reimbursed. An additional \$6.6 million would be needed to complete the risk assessment reimbursements for these properties. Priority is determined by age and REAC score of the property.

Two rounds of invitations have been sent to eligible owners. The deadline for the second group to respond to HUD's invitation was June 11.

There are still open questions surrounding the new method of risk assessments, including:

- Will owners who did not respond for the first round of invitations have the deadline for the response extended? and
- Will HUD request additional money for the Big Buy program?

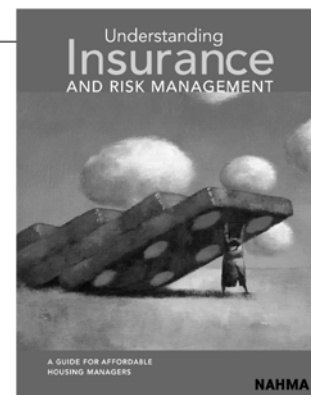
NAHMA will advocate strongly for the appropriations necessary to complete the risk assessments under the Big Buy program. For a copy of the meeting summary, please visit the NAHMA HUD webpage or go to [www.nahma.org/member/New%20HUD%20Docs/bigbuystatus52109.pdf](http://www.nahma.org/member/New%20HUD%20Docs/bigbuystatus52109.pdf).

tors of project-based Section 8 programs of the passage of the Housing and Economic Recovery Act of 2008 (HERA). As a result of HERA, any deferred Department of Veterans Affairs disability benefits that are received in a lump sum or in prospective monthly amounts by the tenant shall be excluded as annual income. Housing Notice 09-03 can be found at [www.hud.gov/offices/adm/hudclips/notices/hsg/](http://www.hud.gov/offices/adm/hudclips/notices/hsg/).

**HUD IS FINALIZING NEGOTIATIONS WITH THE DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS)** for retention of the National Directory of New Hires (NDNH) employment and income data obtained from the Enterprise Income Verification (EIV) system. HHS has agreed to allow retention of the EIV printed reports for the term of tenancy plus three years after termination of tenancy. With this change, owners and management agents (O/As) will no longer need to worry about destroying the EIV printed reports containing NDNH data in the tenant files when the reports are two years old. This change will be incorporated in a revision to Notice H2008-3, Enterprise Income Verification (EIV) System. The "Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs" Final Rule that was published in the Federal Register on March 27, 2009 (74 FR 13339) makes the use of Enterprise Income Verification (EIV) System for Multifamily mandatory, effective September 30, 2009. This Notice, along with other EIV-related source documents, can be found on the Multifamily Housing Program Requirements and Guidance for Using EIV web page, located at [www.hud.gov/offices/hsg/mfh/rhiip/eiv/reqnguide.cfm](http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/reqnguide.cfm). Owners and management agents (O/As) who do not currently have access to the EIV system can apply at [www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm](http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm).

**TWO REPORTS RELATED TO GULF COAST HOUSING RECOVERY** were recently released by the Government Accountability Office (GAO). The first is on disaster assistance. It makes three main recommendations to FEMA: come up with a timeline for disaster case management programs to avoid delays that can cause survivors to miss out on resources; design better ways for stakeholders to coordinate in order to minimize the spread of misinformation and prevent delays; and correct the problem of outcomes not being evaluated for some pilot programs. The report does additionally mention case management agencies' belief that access to direct financial assistance for items like clothing or furniture is crucial. To read the full report, go to [www.gao.gov/cgi-bin/getrpt?GAO-09-561](http://www.gao.gov/cgi-bin/getrpt?GAO-09-561). The second report is entitled *Gulf Coast Disaster Recovery: Community Development Block Grant Program Guidance to States Needs to Be Improved*. It recommends that HUD take two specific actions regarding guidance to states on use of disaster CDBG funds in order to minimize problems encountered by Louisiana and Mississippi after Katrina: (1) issue clear, written guidance to help states decipher the differing requirements of rehabilitation funds (explicitly for repair or reconstruction) and compensation funds (regardless of intention to rebuild) and (2) coordinate with FEMA to make explicit how CDBG funds can be used with other federal disaster funds. To read this report, go to [www.gao.gov/cgi-bin/getrpt?GAO-09-541](http://www.gao.gov/cgi-bin/getrpt?GAO-09-541).

**THE SECTION 1602: GRANTS TO STATES FOR LOW-INCOME HOUSING PROJECTS** in Lieu of Low-Income Housing Credits for 2009 Frequently Asked Questions are now online and can be accessed at the NAHMA Tax Credit webpage at [www.nahma.org](http://www.nahma.org) or through the Treasury Department at [www.treas.gov/recovery/docs/FAQs.pdf](http://www.treas.gov/recovery/docs/FAQs.pdf). **NN**



NAHMA's *Understanding Insurance and Risk Management for Affordable Housing Managers* is full of valuable information every housing professional needs to know.

Chapters written by industry experts include: Insurance 101; Understanding Your Policies; What to Do and What Not to Do When a Crisis Hits; Implementing and Monitoring a Risk Management Program; Preparing and Updating Your Disaster Plan; and much more!

Checklists, sample policies and forms, and a glossary make this both a workbook and a reference source.

**Single copies for NAHMA members are \$35; for non-members, \$40. Cost per book decreases for bulk orders. To order, go to [www.nahma.org](http://www.nahma.org) or call 703-683-8630.**

# NAHMA

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## Lover of the Outdoor Brings Energy Inside to MAHMA

LIKE MANY PEOPLE, LAURA Swanson graduated from college without a prescribed path. After earning a Bachelor of Arts in communications management and psychology from the University of Dayton, she felt in a position to say yes to everything, “so I’ve had a varied set of experiences,” she said. “I started working in the nonprofit world and found it to be very diverse and rewarding.”

She began working with MAHMA 12 years ago. Prior to that, she worked for a dog-sledding vacation and an outdoor apparel company in a resort town on the edge of the Boundary Waters Canoe Area Wilderness (BWCAW) in Northern Minnesota. Before that she worked in customer service and sales for Yellowstone National Park and Snowbird Ski Resort in Utah.

When the MAHMA board of directors hired the Columbus Apartment Association (CAA) as its manager in 1997, Swanson was subsequently hired by CAA to administer the day-to-day operations of the Midwest regional AHMA.

Having the opportunity to contribute as the associate director for many years allowed her to develop a comprehensive understanding of the unique business environment characteristic of nonprofit associations and to prepare her for her current role as executive director.

She has had the opportunity to advance her knowledge and skills in customer services, financial management, seminar and event planning, and government relations. In addition, her career in nonprofit management has given her the opportunity to enhance her skills in strategic planning and implementation, staff development, board relations, and

management of the operational and financial activities of multiple organizations.

### KEEPING MAHMA FOCUSED ON MEMBER NEEDS

Swanson sees her biggest challenge as providing quality services to MAHMA members at the lowest cost possible while still keeping the association financially viable.

MAHMA is currently focused on member retention and strengthening the value-added benefits of the organization by enriching their relationships with the state housing finance agencies (HFAs) and by looking for new education opportunities throughout the year.

“Our relationships with the HFAs serve as a model for fostering relationships in states where we do not have a large presence,” she said. MAHMA represents owners and managers in Indiana, Illinois, Ohio, Michigan, Minnesota and Wisconsin. For example, this year, MAHMA has invited the Indiana HFA to participate at its regional conference, as well as the Ohio HFA and the Michigan State Housing Development Authority.

MAHMA strongly encourages its members to take advantage of its “wide selection of core courses as well as innovative and hot-topic sessions,” Swanson said. “We try to accommodate the members across our six-state region with a variety of resources, including audio and online courses.”

### GETTING VALUE FROM NAHMA

Swanson appreciates NAHMA’s role in telling the industry’s story and in being an advocate for professional standards



for the industry. She encourages MAHMA members to join NAHMA because “NAHMA is the voice of the affordable housing industry in government, and by joining NAHMA you have the opportunity to directly affect federal legislation.”

She attends all of the NAHMA meetings and sees them as beneficial because of the information obtained from the general sessions and because she can meet with NAHMA staff and staff from the other AHMA’s to discuss administrative issues. “These meetings are a good way to see what is or is not working at other associations and to get all the latest industry news,” she said. “Not every member has the opportunity to attend NAHMA meetings, and part of the expectation of MAHMA and its staff is bring back what we learn, to inform and educate all of the members.”

### KEEPING AN ADVENTUROUS SPIRIT

Swanson relieves stress through yoga, biking, kayaking, reading and listening to music. She counts as her greatest personal achievements “having two lovely daughters and surviving five months on bed rest during each of my pregnancies.” She also passed the Basic Rider Course and obtained a motorcycle endorsement a few years ago.

Swanson is married and her daughters are ages six and three. Her hometown is Toledo, Ohio, but she currently lives in central Ohio, where she enjoys the cultural diversity and the connections it has as a capital city, although—not surprisingly—she dislikes its distance from the mountains and the oceans. **NN**



# EDUCATION CALENDAR

For information on specific classes being offered, please contact the AHMA or organization directly.

All dates and locations are subject to change.  
For the most up-to-date listings, visit the NAHMA website at [www.nahma.org/content/mem\\_calendar.html](http://www.nahma.org/content/mem_calendar.html).

## AUGUST

**5**  
**LIHTC File Audit**  
Worcester, MA  
Julie Kelliher, NEAHMA  
(781) 380-4344

**11-12**  
**LIHTC & SHCM**  
Grand Rapids, MI  
Laura Swanson, MAHMA  
(614) 481-6949

**11-13**  
**Certified Professional of Occupancy (CPO)**  
North Shore, MA  
Julie Kelliher, NEAHMA  
(781) 380-4344

**14**  
**Poster Calendar Breakfast**  
Long Beach, CA  
Debbie Hawkins, AHMA-PSW  
(866) 698-2462

**17-19**  
**SAHMA Regional Conference**  
Louisville, KY  
Contessa Paige, SAHMA  
(800) 745-4088

**18**  
**Basic Tax Credit**  
Worcester, MA  
Julie Kelliher, NEAHMA  
(781) 380-4344

**19**  
**MA Monthly Meeting**  
MA  
Julie Kelliher, NEAHMA  
(781) 380-4344

**20**  
**Occupancy Course III (Chapter V and EIV)**  
Houston, TX  
Mike Alexander, AHMA-ET  
(713) 957-4430

**20**  
**CT Monthly Meeting**  
CT  
Julie Kelliher, NEAHMA  
(781) 380-4344

**20-21**  
**Annual Meeting and Conference**  
Bremerton, WA  
Joe Diehl, AHMA NW-WA  
(425) 454-6836

**25**  
**RI Monthly Meeting**  
RI  
Julie Kelliher, NEAHMA  
(781) 380-4344

**26**  
**COQ Awards Submissions Due to NEAHMA**  
NEAHMA Office, MA  
Julie Kelliher, NEAHMA  
(781) 380-4344

## SEPTEMBER

**8-9**  
**SHCM 1 1/2 Day Prep Course/SHCM Exam**  
RI  
Julie Kelliher, NEAHMA  
(781) 380-4344

**8**  
**Advanced Calculations**  
Valencia, CA  
Debbie Hawkins, AHMA-PSW  
(866) 698-2462

**10**  
**Advanced Calculations**  
Garden Grove, CA  
Debbie Hawkins, AHMA-PSW  
(866) 698-2462

**10**  
**TRACS 202c/iMAX**  
Worcester, MA  
Julie Kelliher, NEAHMA  
(781) 380-4344

**10-11**  
**Tax Credit SHCM Exam**  
Mt. Laurel, NJ  
Jo Ann McKay, JAHMA  
(856) 786-9590

**15**  
**Advanced Tax Credit Courses**  
Lansing, MI  
Laura Swanson, MAHMA  
(614) 481-6949

**15-16**  
**SHCM 1 1/2 Day Prep Course/SHCM Exam**  
North Shore, MA  
Julie Kelliher, NEAHMA  
(781) 380-4344

**17**  
**Fair Housing Course**  
Memphis, TN  
Contessa Paige, SAHMA  
(800) 745-4088

**17**  
**Fair Housing/Sexual Harassment: Wesley Aleshire**  
Houston, TX  
Mike Alexander, AHMA-ET  
(713) 957-4430

**21**  
**Basic Tax Credit**  
Charlotte, NC  
Contessa Paige, SAHMA  
(800) 745-4088

**22**  
**Intermediate Tax Credit**  
Charlotte, NC  
Contessa Paige, SAHMA  
(800) 745-4088

**22**  
**Advanced Tax Credit Courses**  
Columbus, OH  
Laura Swanson, MAHMA  
(614) 481-6949

**23**  
**Full-Day REAC**  
Grand Rapids, MI  
Laura Swanson, MAHMA  
(614) 481-6949

**23**  
**Allowances and Deductions 101/201**  
Worcester, MA  
Julie Kelliher, NEAHMA  
(781) 380-4344

**23-25**  
**CPO**  
Charlotte, NC  
Contessa Paige, SAHMA  
(800) 745-4088

**25**  
**NAHP of the Year Submissions due to NEAHMA**  
NEAHMA Office, MA  
Julie Kelliher, NEAHMA  
(781) 380-4344

## OCTOBER

**7**  
**Determining Income 101/201**  
Worcester, MA  
Julie Kelliher, NEAHMA  
(781) 380-4344

**12-13**  
**Tax Credit Training and SHCM Exam**  
Memphis, TN  
Contessa Paige, SAHMA  
(800) 745-4088

**13-14**  
**SHCM 1 1/2 Day Prep Course/SHCM Exam**  
Springfield, MA  
Julie Kelliher, NEAHMA  
(781) 380-4344

**14**  
**MOR**  
Detroit, MI  
Laura Swanson, MAHMA  
(614) 481-6949

**14-16**  
**CPO**  
Memphis, TN  
Contessa Paige, SAHMA  
(800) 745-4088

**15**  
**Occupancy Course IV (Chapter 7/8)**  
Houston, TX  
Mike Alexander, AHMA-ET  
(713) 957-4430

**18-20**  
**NAHMA Fall Meeting—Regulatory Affairs**  
Washington, DC  
Joe Thomas, NAHMA  
(703) 683-8634

# EDUCATION CALENDAR

For information on specific classes being offered, please contact the AHMA or organization directly.

All dates and locations are subject to change.  
For the most up-to-date listings, visit the NAHMA website at [www.nahma.org/content/mem\\_calendar.html](http://www.nahma.org/content/mem_calendar.html).

## 22 NEAHMA Annual Conference & Trade Show

Julie Kelliher, NEAHMA  
(781) 380-4344

## 28-29 PennDel AHMA Fall Conference

Dover, DE  
Gerri Aman, PennDel AHMA  
(856) 786-2183

## 29-30 Fall Conference PA

Mary Berry, PAHMA  
(412) 429-2842

## NOVEMBER

### 10 Senior Level Tax Credit CEU Workshop

Boston, MA  
Julie Kelliher, NEAHMA  
(781) 380-4344

### 10 Advanced Calculations San Bernardino, CA Debbie Hawkins, AHMA-PSW (866) 698-2462

### 12 Fair Housing Course (FHC) North Shore, MA Julie Kelliher, NEAHMA (781) 380-4344

### 12 Advanced Calculations San Diego, CA Debbie Hawkins, AHMA-PSW (866) 698-2462

### 17 RI Monthly Meeting RI Julie Kelliher, NEAHMA (781) 380-4344

### 18 MA Monthly Meeting MA Julie Kelliher, NEAHMA (781) 380-4344

### 18-20 Certified Professional of Occupancy (CPO) Trevose, PA Gerri Aman, PennDel AHMA (856) 786-2183

### 19 Occupancy Course V (Chapter 9): Janet Miller Houston, TX Mike Alexander, AHMA-ET (713) 957-4430

### 19 CT Monthly Meeting CT Julie Kelliher, NEAHMA (781) 380-4344

### 23 CPO Challenge Houston, TX Mike Alexander, AHMA-ET (713) 957-4430

## DECEMBER

### 8 RI Monthly Meeting RI Julie Kelliher, NEAHMA (781) 380-4344

### 9 MA Monthly Meeting MA Julie Kelliher, NEAHMA (781) 380-4344

### 10 CT Monthly Meeting CT Julie Kelliher, NEAHMA (781) 380-4344

### 17 Associate Recognition Program Houston, TX Mike Alexander, AHMA-ET (713) 957-4430



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# Career of a Lifetime from Every Vantage Point

OVER THE COURSE OF 40 YEARS, David Buchwalter has been involved in nearly every aspect of the management of HUD-related multifamily housing. “I kind of fell into it,” he said. When fresh out of college he was hired by HUD as an urban intern. Coming of age in the ’60s and a political science major, the social relevance of HUD’s programs at the time was attractive, “but, really, like anybody fresh out of school, I took what was available,” he said.

## FINDING A FOOTHOLD AT HUD

Fortunately, Buchwalter enjoyed working at HUD. As an intern, he rotated through a number of different disciplines. “My first real position was review appraiser in the Housing Assistance Office in Public Housing,” he said. “When HUD and FHA merged in the early ’70s, I went to the FHA side, dealing with occupancy issues in 236s and BMIRs.”

As the affordable inventory and HUD’s management responsibilities grew, his duties expanded to include rent increases, physical inspections and all the other facets of management oversight, for unsubsidized as well as subsidized projects. “At one point, I supervised the construction completion and initial rent-up and management of a 650-unit troubled project,” a position that gave Buchwalter real-world experience.

“I wound up as chief of loan management in the New York office. We had more than 1,200 projects. Occupancy was in a separate branch, but we did everything else including rent increases, physical inspections, and overall regulatory compliance.”

## TAKING ON A SECOND CAREER

After he retired from HUD in 1995, Buchwalter launched a second career as founding president of AdCar Associates.

“This was a natural growth,” he said. “Basically we assist owners and managers with the same issues we did with HUD, but from the other side of the table.” There have been challenges—for example, there were no REAC inspections back in 1995. But because of his and his associates’ backgrounds, “We understand why things happen the way they do and what the consequences are of doing, or not doing, certain things. We can put things in a context for the client, not just offer a technical approach. We understand how projects are managed, how HUD looks at them, how all the factors interrelate.”

AdCar helps its clients, “from some of the major nonprofits and for-profits down to small mom and pops,” deal with the demands and complexities of managing housing that is insured, held or subsidized by HUD. These include rent-increase applications, physical inspection problems, “troubled” projects, MORs, Section 8 contract renewals and opt-outs, and other compliance issues.

AdCar started out and is headquartered in New York but has worked in more than a dozen states. “We pride ourselves on not trying to sell more services than a client actually needs,” he said, “and we are small enough so everybody gets personalized attention as well as the expertise of top-quality people.”



## ENGAGED IN INDUSTRY ADVOCACY

Buchwalter joined NAHMA shortly after he retired from HUD. He was one of the founders and is on the board of the New York AHMA and is a member of the New Jersey

AHMA. He is active in other organizations as well and is on the Boards of Governors of both the New York and national RAM programs, having served as National RAM Chair in 1999.

“I feel it’s important to belong to organizations like these,” he said. “I believe in supporting them not only with your membership dollars but with your time. What you get in exchange is not just networking but knowledge and hearing other perspectives.”

## NO SIGNS OF SLOWING DOWN

Buchwalter appreciates where he is now, after all this time in the industry. “I enjoy what I’m doing. I enjoy the travel involved, the people I meet, and participating in industry organizations, which is another opportunity to do a bit of traveling.”

“I’m fortunate to be in a position where my time is very flexible.” His wife, a teacher in New York City, will be retiring soon, and with his children grown—one an attorney in New Jersey and the other in Cardiff, Wales, completing her masters degree in international public relations—Buchwalter is very happy that “as consultants, rather than managers or owners, my associates and I have more control than most over our schedules. That’s a good thing.” **NN**

## thelastword

BY DAN MURRAY, NAHP-e



## Hope Seems to Emanate from HUD

ONE OF THE MANY NICE THINGS about our summer meeting in Philadelphia was the sense of hope that seemed to emanate from the new Administration's staff at HUD and, in return, from NAHMA members.

It appears, for instance, that HUD administrators finally have a truly sympathetic ear when it comes to late housing assistance payments (HAPs). Carol Galante, new Deputy Assistant Secretary in HUD's Office of Multifamily Housing, previously led Bridge Housing, California's largest developer of affordable housing, since May 1996. As a result Deputy Assistant Secretary Galante really understands the challenges affordable housing managers and owners face. I believe she can be counted on to put and keep affordable multifamily housing on the Obama Administration's front burner.

Certainly it is important for the housing development pipeline to be pri ed open. The housing foreclosure debacle is not yet over, and the demand for affordable housing has probably never been greater. Developing new

affordable units and preserving existing units can go a long way toward easing the sorrow and solving the housing needs of people who have lost their homes.

Not that we still don't have some issues with HUD. The agency's refusal to recognize tax credit compliance fees as an allowable project expense is very problematic, for instance. We also have some problems with REAC. But it helps a lot that we seem to be returning to more of a partnership relationship with HUD—a relationship that is less adversarial, one that can continue to be nurtured.

It's also been great to see affordable housing providers benefit from some of the economic stimulus package, for instance in getting some of the \$250 million from HUD and additional funds from the Department of Energy to put toward green retrofits and weatherization. HUD got enough applications for its green retrofit program in the first day to utilize all the appropriations available. This goes to show how eager we are to go green, saving on energy costs while helping the environment.

As described in this issue of *NAHMA News*, there is a great deal of legislation that we are following and testifying on so that your voice can be heard on Capitol Hill, within HUD and other agencies, and among top Administrative officials. In addition to full funding of HAPs, some of our key issues include obtaining relief across the affordable portfolio for escalating utility/operating costs, obtaining clarity and consistency in application of HUD's previous participation certification process, and ensuring HUD's policies regulating management agents do not discourage companies from providing 401(k) retirement benefits to on-site management staff. I hope you will plan to come to our Fall meeting where we will focus on our regulatory agenda.

We need our members to be visible in Washington, D.C. so that we can continue to be strong advocates on behalf of affordable housing and to press any advantage we may have during this hopeful period in our history. **NN**

*Dan Murray is President of Corcoran Jen- nison, Inc. and president of NAHMA.*