

NAHMA News

PROTECTING THE INTERESTS OF AFFORDABLE HOUSING PROPERTY MANAGERS AND OWNERS

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NAHMA Testifies on Preservation Bill

On Wednesday, March 24, the House Financial Services Subcommittee on Housing and Community Opportunity held a hearing on HR 4868, the Housing and Tenant Protection Act of 2010. HUD, USDA-Rural Housing, and industry stakeholders offered testimony on the legislation.

Testifying on behalf of NAHMA was George Caruso, executive vice president of Edgewood Management and a member of NAHMA's Board of Directors. Michelle Norris, senior vice president of acquisitions and development for National Church Residences and immediate past-president of NAHMA, testified on behalf of the American Association of Homes and Services for the Aging (AAHSA).

Caruso noted that while NAHMA members are pleased with much of HR 4868, its general membership opposes the overall bill in its current form. NAHMA offered support for 60 sections of the bill, and stated its opposition is limited to provisions in seven key sections:

Section 107—Federal First Right of Refusal

Section 108—Amendment to LIHPRA

Section 109—Preservation of HUD Held and HUD Owned Buildings

Section 110—Authority to Assign Flexible Subsidy Loans

Section 302—Maintenance of Housing

Section 303—Resident Enforcement of Public Housing Agency or Project Owner Agreements with HUD and

Section 304—Resident Access to Building Information
(See the sidebar for details on NAHMA's positions on these and other sections of the bill.) *continued on page 4*

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PRESIDENT

Dan Murray, NAHP-e
dmurray@cjmanagement.com

EXECUTIVE DIRECTOR

Kris Cook, CAE
kris.cook@NAHMA.org

DIRECTOR, GOVERNMENT AFFAIRS

Michelle L. Kitchen
michelle.kitchen@NAHMA.org

DIRECTOR, FINANCE AND ADMINISTRATION

Rajni Agarwal
rajni.agarwal@NAHMA.org

MANAGER, EDUCATION AND SPECIAL PROGRAMS

Brenda Moser
brenda.moser@NAHMA.org

MANAGER, MEETINGS, MEMBERSHIP AND SPECIAL PROJECTS

Larissa Mendes
larissa.mendes@NAHMA.org

MANAGER, GOVERNMENT AFFAIRS

Lauren Eardensohn
lauren.eardensohn@NAHMA.org

EDITOR

Catherine A. Smith
Community-Based Communications, L.L.C.
cbc.smith@comcast.net

DESIGN

Mary Prestera Butler
butler5s@comcast.net

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Building on 20 Years of Success

NAHMA HAS JUST ENTERED ITS 20th year. As the article on page 25 describes, NAHMA had its genesis in the activities of two distinct groups of people. Property owners who were becoming expert in the new world of federally subsidized housing, and property managers who were dealing with how the resultant rules and regulations played out at an actual assisted housing site.

Some people were members of both these groups, and it was they who shepherded the merger that created NAHMA in 1990.

STICKING TO FUNDAMENTALS

Even though NAHMA has always had a small but professional staff, it relies upon its members to chart its course. It is not a staff-driven organization, as many trade groups are. Rather, it is driven by what its members perceive needs to be done.

Most (if not all) of these members belong to one of the 20 regional, state and local AHMAs nationwide, and NAHMA is their collective voice.

NAHMA's success comes from sticking to some fundamentals while branching out into uncharted territory.

We keep a keen eye on what is happening in Congress, within each Administration and within agencies such as HUD, the IRS and RHS. By doing this we keep on top of policies and regulations that will have an impact on how our members operate their businesses.

We have demonstrated over and over again that we care about making

the taxpayer's investment in affordable housing a good investment. This is important because there are so many millions of Americans who need quality affordable housing. We make the case that this housing can be constructed with due diligence and maintained with professionalism over the long term.

MEMBERS ADD INNOVATION

Anybody familiar with NAHMA knows that we care deeply not only about the quality of our housing but about our residents—how they are perceived, how they perceive themselves, how they can have a home that makes them feel valued and that helps them and their children move up in the world.

Nowhere is this more evident than in our commitment to the Communities of Quality® National Recognition program. This is the culmination of our high standards for how affordable housing is developed and managed, for the commitment to professionalism we expect of the people employed by our members, for the people who live in our properties and for the communities of which these properties are a part.

We couldn't develop programs such as the COQ awards without our members' active involvement, which they demonstrate serving on numerous committees, developing new accreditation programs, testifying before Congress, and engaging in a host of other activities that keeps us such a solid, vibrant organization.

Thanks to all of you, we have a rock-solid foundation on which to continue to build. **NN**
Kris Cook is Executive Director of NAHMA.

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While all of those testifying supported the goals of preservation, the largest point of contention surrounded Section 107 of the legislation: the federal first right of refusal. Even HUD Multifamily Deputy Assistant Secretary Carol Galante said the department was concerned about the mechanics of Section 107. She noted that there were severe implementation and legal challenges to the language as written. She also said that even if HUD were able to overcome the implementation and legal challenges, there would be a challenge in creating a fair “bidders group” if HUD decided to assign an organization the right of first refusal.

Galante was very supportive of Section 106 because of its flexibility with implementation. NAHMA also supported the provisions in this section as useful preservation tools. The provision would create a voluntary preservation exchange program to allow the transfer of preservation projects to purchasers who agree to maintain the projects as affordable housing.

Ranking Member Shelly Moore Capito (R-WV) said she supported Section 106 of the legislation over Section 107, since incentives to preserve a property were much more effective than the mandates contained in the right of first refusal. Capito also said that the right of first refusal would further challenge HUD staff, who are already struggling with technology updates to existing programs.

Chairwoman Maxine Waters (D-CA) asked Caruso for his thoughts on how to protect tenants despite NAHMA's opposition to what she described as “all of the sections of the bill that were requested by tenant groups.” Caruso discussed the impact of Section 107 on the investment

NAHMA's Overall Policy View on HR 4868

TITLE I—Preservation of Federally Financed and State Financed Affordable Housing at Risk of Conversion To Market-Rate Housing.

SECTION 101: Conversion of Rent Supp and RAP Contracts. Support.

SECTION 102: Preservation of Properties with Expiring Use Restrictions. Generally support.

SECTION 103: Enhanced Voucher Assistance. Support.

SECTION 104: Project-based Preservation Assistance. Support.

SECTION 105: Preservation of State Financed Affordable Housing. Support.

SECTION 106: Preservation Exchange Program. Support.

SECTION 107: Federal First Right of Refusal. Oppose this section in its entirety. Problems with this provision include, but are not limited to, undermining owner and investor confidence in their agreements with the federal government and alienating willing purchasers who must endure a lengthy process, thereby affecting market value. It will make it difficult to do preservation deals with tax credits due to the time and final right of HUD to purchase. The provisions in Section 106 serve the same purpose to preserve the affordable portfolio and are much preferable.

SECTION 108: Amendment to LIHPRA. Oppose. LIHPRA applies only to a small percentage of the overall portfolio and changing the provisions of the agreements on an ex-post-facto basis is unacceptable. Also oppose the broad and vague exemption from federal preemption of state and local laws “intended to further preservation of affordable housing or to protect tenants when owners propose to terminate their participation in Federal affordable housing programs.” (Italics added.)

SECTION 109: Preservation of HUD Held and HUD Owned Buildings. Oppose. The language is too broad, and it needs to be revisited and tightened. HUD holds both performing and non-performing mortgage notes. Information suggests that HUD holds roughly 10,000 performing mortgage notes on properties that are well run and in good condition. Performing notes from properties with passing REAC scores and management reviews should be excluded from the provisions of Section 109.

SECTION 110: Authority to Assign Flexible Subsidy Loans. Originally Opposed. The section-by-section analysis suggested this provision would have tilted the playing field in preservation to non-profit organizations. NAHMA represents both for-profit and non-profit owners and advocates for there to be no bias toward one or the other. Position was revised following clarification by Chairman Frank's staff of the applicability to both for-profit and nonprofit organizations.

SECTION 111: Use of Existing Section 8 Funds to Preserve Affordable Housing. Support.

SECTION 112: Authority for Ginnie Mae to Securitize FHA Mortgages. Support.

TITLE II—Restoration of Housing at Risk of Loss Due to Deterioration.

NAHMA supports all the provisions of Title II.

TITLE III—Protection of Residents

SECTION 301: Tenant Protection Vouchers. Support. The one-for-one voucher replacement is an important component of preservation.

SECTION 302: Maintenance of Housing. Oppose this section in its entirety. HUD already has enough statutory, regulatory and handbook authority to address issues presented



by non-compliant owners. There is no need to convert all of those tools to a statutory framework. The current system works and should not be changed. Statutory language will tend to constrain HUD as time moves forward.

The provisions allowing tenants to escrow rents, and the preemption on evictions, brings what are now state or local landlord tenant issues into the federal arena. Adding language here will confuse the current legal environment and generate significant additional litigation. Limited resources are best used to preserve the housing rather than to pay legal fees.

SECTION 303: Resident Enforcement of Public Housing Agency or Project Owner Agreements with HUD. Oppose. While the section-by-section analysis of HR 4868 indicates that this section just comports the language in this bill with the Mark-to-Market and Tax Credit agreements, the language suggests that the bill goes beyond the intent in either program. HUD already has sufficient enforcement tools. Giving tenants the right to go to court will only serve to constrain HUD and add litigation with no clear positive result.

SECTION 304: Resident Access to Building Information. Oppose. No public purpose is served by releasing the full 2530 Previous Participation Certification (also known as an APPS filing) for an ownership and/or management entity. Also, the bill states that although Social Security numbers are to be redacted, other personal and proprietary information would still be available.

The APPS system now includes information on partnership structures, upper tier ownership structures, and links to all other properties owned or operated by the entity. Releasing that information will give any recipient the ability to “reverse engineer” the corporate structure and interest holdings of not only the property in question, but also the owners, general partners, and large holding limited partners. This information is provided to HUD on a confidential basis and should remain so. Making this information available generally will serve to drive off equity investors who do not want their holdings subject to general scrutiny.

TITLE IV—Preservation of Troubled Projects Facing Foreclosure. NAHMA supports all the provisions of Title IV.

SECTION 406: Correcting Harm Caused by Late Subsidy Payments is a significant step forward, and NAHMA strongly supports the provisions.

TITLE V—Incentives Under MAHRA for Owners to Maintain Housing Affordability. Supports.

SECTIONS 501 AND 508: Extension of the Mark-to-Market program and Budget-Based Rent Adjustments. NAHMA believes these are extremely important. Section 508 also allows restructuring of early Mark-to-Market projects. This provision is very helpful, and it will allow struggling early Mark-to-Market deals to have their rents and financing adjusted to assure their continued viability. This authority will be very useful in preserving the stock of affordable housing.

SECTION 512: Exception Rents. Support. This will allow HUD broader exception rent authority and is very useful in preserving housing in high-cost markets.

TITLE VI—Preservation Database. Supports on the assumption that HUD and the USDA-Rural Housing Service are responsible for collecting, assembling and providing the information.

TITLE VII—Section 202 Supportive Housing for the Elderly. Support.

TITLE VIII—Rural Housing Preservation. Support.

community. In order to purchase a property, he said, one needs money and the confidence to complete the transaction. The language of Section 107 includes a lengthy timeframe to complete the deal, which would deter investors from participating.

Rep. Al Green (D-TX) said he would like to work with both HUD and the industry to create new language for Section 107 that would be easy to implement, acceptable to property owners and allow tenants to maintain their residence as affordable. He also stated that tenants should have a right to participate in the program in order to consider their property an investment in themselves.

When Chairwoman Waters asked Galante about HUD’s position of third party beneficiary status for tenants, Galante said the department has no formal position at this time.

Chairwoman Waters said the committee would welcome language from the industry that would address their concerns with Section 304, which would give tenants access to building information.

For a copy of the testimonies or to watch the archived webcast, please go to: http://www.house.gov/apps/list/hearing/financialsvcs_dem/hr_031710.shtml. **NN**



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FY 2011 Budget Request Awaiting Congressional Approval

ON FEBRUARY 1, 2010, PRESIDENT Obama submitted his Fiscal Year (FY) 2011 budget request to Congress. Submission of the budget begins a process, which, if it runs smoothly, will be resolved before October 1, with all of the annual appropriations bills signed into law.

The problem is that the budget process almost never runs smoothly. It has now become routine for the new fiscal year to begin without a finalized budget for that year. Congress and the President then fund the government through temporary spending measures known as “continuing resolutions.”

SUMMARY OF PROPOSED BUDGET FOR RENTAL HOUSING

The Obama Administration proposed a budget of \$48.5 billion for HUD in FY 2011, an increase of \$2.4 billion over FY 2010 appropriations and an increase of \$2.2 billion over last year’s budget request.

The largest areas of proposed funding increases are the Project-based Section 8 and Tenant-based Section 8 accounts. The largest percentage of proposed multifamily housing program funding cuts are in the Section 202 and Section 811 accounts. President Obama has also included requests for new programs to help streamline, improve and evaluate program performance. It is important to note that the FY 2011 budget levels for accounts that were flat-funded or received cuts would be further minimized in real dollars due to inflation rates.

There are several highlights and lowlights within the budget request.

■ Tenant-Based Section 8 contract renewals would receive an increase of \$1.4 billion in relation to the FY 2010

appropriations, while Project-based Section 8 would receive over \$900 million above FY 2010 appropriation levels.

■ CDBG would be flat funded in line with the FY 2010 appropriations.

■ The Obama Administration has once again proposed \$1 billion for the Housing Trust Fund, since Fannie Mae and Freddie Mac cannot fund the program for the near future.

■ For a second time, HUD has requested cutting HOPE VI from the budget and replacing it with the Choice Neighborhoods Initiative. Additionally, the Administration is requesting zeroing out new construction funding for Section 202 and Section 811. HUD has also requested cuts to the HOME program.

Cutting funding to these three programs will reduce the number of new units produced in FY 2011.

■ HUD once again proposed eliminating line-item funding for the limited English proficiency (LEP) account.

■ The Administration proposed a Transforming Rental Assistance (TRA) initiative that would begin consolidating HUD’s 13 rental assistance programs.

Treasury/IRS included a legislative proposal in the FY 2011 budget request to extend the American Recovery and Reinvestment Act (ARRA) Section 1602 LIHTC cash-exchange program to 2010 tax credits.

For USDA-RHS, the Obama Administration proposed significant spending cuts in FY 2011 from the USDA Rural Housing Service (RHS) programs below FY 2010 estimated spending levels.

■ Rural Rental Assistance would receive a \$14 million cut below FY 2010 appropriations.

■ The Multifamily Housing Revitalization Program would receive only \$18 million to fund vouchers under the request.

■ USDA did not request funding for the program’s rehabilitation and demonstration programs.

■ The White House suggested flat funding the Section 538 Guaranteed Loans at FY 2010 levels. Nevertheless, USDA has proposed increasing the Section 515 account by \$25 million to help offset the funding loss to the Multifamily Housing Revitalization Program.

FUNDING FOR SPECIFIC MULTIFAMILY HOUSING PROGRAMS HUD:

Tenant-based Section 8: \$19.6 billion total funding; \$17.3 billion for contract renewals, an increase of \$1.4 billion over FY 2010 appropriations.

Project-based Section 8: \$9.4 billion total; \$9.04 billion for contract renewals, a \$900 million increase over the FY 2010 appropriations and includes a \$400 million advanced appropriation for FY 2012.

Transforming Rental Assistance Initiative (TRA): \$350 million

HUD has requested \$350 million to begin voluntarily consolidating its 13 separate rental assistance programs. Under the proposal, TRA will offer PHAs and private owners of RAP, Rent Supp, and old Mod Rehab properties the option of converting to long-term project based rental assistance that includes a resident mobility feature. HUD proposed appropriations language that would provide \$350 million to begin conversions.

Section 202: \$274 million

This is a \$550 million cut below the FY 2010 appropriation. It also terminates new construction funding but funds PRACS and service coordinators.

Section 811: \$90 million

This is a \$210 million cut below the FY 2010 appropriations levels. It terminates new construction funding but funds only contract renewals.

The proposal would also shift responsibility of the voucher program to the Tenant Based Rental Assistance account, consolidating the voucher programs and achieving additional administrative savings.

HOME: \$1.65 billion

The Administration's funding request for HOME is a \$175 million cut below the FY 2010 appropriations level.

HOPE VI: \$0

This is a \$200 million cut below the FY 2010 appropriations and shifts all

funding to the Choice Neighborhoods Initiative.

Choice Neighborhoods Initiative: \$250 million

The Choice Neighborhoods Initiative is a program the Obama Administration first requested in its FY 2010 budget. The Initiative would expand the HOPE VI program beyond public housing by including assisted and private distressed housing as eligible projects and allowing public, private, and non-profit partners to become eligible grant recipients. The FY 2010 Consolidated Appropriations Act provided \$65 million for a demonstration of this initiative.

Community Development Fund: \$4.4 billion; \$3.99 billion for Community Development Block Grants (CDBG)

HUD believes \$4.4 billion is necessary to fully fund the Community Development Fund, with \$3.99 billion set aside to fully fund the CDBG program. This is a

\$50 million cut below the FY 2010 budget request and the FY 2010 Appropriations level, be flat-funding it. HUD has also set aside \$150 million for creation of Catalytic Investment Competition Grants within this account. These grants would provide capital for innovative economic development projects and help leverage other federal neighborhood revitalization programs.

Limited English Proficiency (LEP) Program: \$0

The Obama Administration has once again recommended removing LEP as an individual line-item account within Fair Housing and Equal Opportunity.

Affordable Housing Trust Fund: \$1 billion

Funding for the Housing Trust Fund was not included in the FY 2010 Appropriations but may be included on another legislative vehicle this year.

Energy Innovation Fund: \$0

In the FY 2010 budget request, HUD proposed developing a Multifamily Energy Pilot (MEP) to provide financial incentives for borrowers in the several FHA Multifamily programs to provide energy efficiency improvements in multifamily rehabilitation projects. Congress provided \$25 million for MEP in the FY 2010 Consolidated Appropriations Act. HUD has not requested additional funds for FY 2011 because it believes the FY 2010 appropriations will fund significant pilot program activity through 2011.

Resource and Technology Program: \$87 million

HUD has requested \$55 million for national housing surveys to improve data on the nation's housing stock. The survey list includes the Multifamily Residential Housing Survey. The FY 2011 budget request proposes \$25 million for general research and development and \$7 million to evaluate Rent Reform options, the Family Self-Sufficiency program, and the Choice Neighborhoods program.

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IRS/Treasury:

LIHTC Cash-Exchange Program

The FY 2011 budget request proposes legislation to extend the LIHTC cash-exchange program for an additional year. The proposal would allow states to exchange: the unused 2009 housing tax credit ceiling; LIHTCs returned in 2010; up to 40 percent of the state's 2010 per capita authority; and up to 40 percent of the state's share of the 2010 national pool allocation. States would be required to use their cash exchange funds by December 31, 2012. The budget proposal would not extend the cash-exchange program to 4 percent credits generated from bond financing or to disaster credits.

The LIHTC cash exchange extension was included in both the House and Senate versions of HR 4213, the Tax Extenders Act. The House and Senate passed their respective bills. The Senate version of HR 4213 would make GO Zone credits eligible for the 9 percent LIHTC cash-exchange program. Congress is expected to reconcile differences between the bills and reconsider the final version in mid-April. NAHMA supports the LIHTC cash-exchange extension and will work to ensure that the final bill allows disaster credits to qualify for the cash exchange.

USDA-RHS:

Multifamily Housing Revitalization Program: \$18 million

The Obama budget proposes terminating the Multifamily Housing Revitalization Program outside of \$18 million for housing vouchers for residents of projects whose sponsors prepay their USDA Section 515 mortgages and leave the program. The voucher funding represents a \$1.6 million increase over the FY 2010 appropriations and a \$15 million increase over the FY 2010 budget request for that particular line-item. The proposal terminates funding for the revitalization and demonstration programs.

Section 515 Multifamily Housing Direct Loans: \$95 million

This is a \$25 million increase over the FY 2010 budget request and the FY 2010 appropriations.

Rural Rental Assistance: \$966 million

This request represents a \$124 million decrease below the Obama Administration's FY 2010 rural rental assistance budget request and a \$14 million decrease below the FY 2010 appropriations for the one-year rural rental assistance contracts.

Section 538 Multifamily Housing Loan Guarantees: \$129 million

This is flat funding at the level of the FY 2010 Appropriations and FY 2010 budget request.

POSITIVE ASPECTS OF THIS BUDGET REQUEST

The proposed increase in Project-based Section 8 contract renewal funding would help reaffirm HUD's commitment to ensure full 12-month funding for HAP contracts. The leadership at HUD has

expressed interest in improving the budget forecasting to evaluate the needs of the program going forward. NAHMA feels that the significant increase in funding for the Project-based Section 8 program from the FY 2009 and FY 2010 appropriations and the American Recovery and Reinvestment Act of 2009 have helped alleviate problems resulting from late payments and partially funded HAP contracts.

NAHMA is also pleased by the requests for significant increases in the Section 8 voucher account.

The inclusion of a formal request for legislation to extend the LIHTC cash-exchange program another year is a positive move by Treasury/IRS. The extension is one of the A.C.T.I.O.N. coalition LIHTC stabilization and reform proposals, which NAHMA supports. The cash-exchange is one of the few sources of stability for the LIHTC program, and NAHMA is pleased that Treasury/IRS recognizes its importance. Nevertheless, the cash-exchange

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program is a temporary crutch for the LIHTC. NAHMA will continue to work for the passage of legislation to stimulate LIHTC investment and strengthen the LIHTC program for the future.

Finally, NAHMA is pleased to see that USDA-RHS has requested an increase to the Section 515 account, which has been flat-funded for the last several years.

ISSUES OF CONCERN TO NAHMA

NAHMA strongly opposes the Obama Administration's call to end funding for new construction within the Section 202 and Section 811 programs. Financing is already difficult because of the credit crunch and the financial crisis. Continued funding for capital advances will produce new affordable housing units for low-income populations and will provide additional construction jobs in the projects' communities.

NAHMA believes that many of the problems the Administration has with the construction programs can be solved through administrative or regulatory changes. NAHMA will continue to strongly advocate for Congress to provide funding for new construction and quickly pass S 118, the Section 202 Supportive Housing for the Elderly Act, and HR 1675 and S 1481, the Frank Melville Supportive Housing Investment Act of 2009. NAHMA will oppose attempts to zero out the capital advances of these accounts.

NAHMA staff attended HUD's FY 2011 Budget Briefing on the Transformation of Rental Assistance, where there was still much uncertainty surrounding HUD's proposed Transforming Rental Assistance Initiative. While Project-based Section 8 contracts would not be affected in FY 2011, HUD did not provide a timeline for the potential inclusion of the program. What is certain is that HUD is asking for legislative authority to gradually consolidate its 13 rental assistance programs into a single, new program. HUD claims its new program will incorporate "the best features of Project-based Section 8 and the Project-based Housing Choice Voucher programs."

There is a possibility Project-based Sec-

tion 8 could be drawn into the initiative as early as FY 2012. The level of interest among tenants and PHAs to participate in the conversion and assistance mobility is unknown. HUD did not have answers to questions about what aspects of the programs would ultimately be incorporated into the initiative, where the funding for new mobility vouchers would come from, or how public housing would obtain private capital for rehabilitation. HUD said the funding will not leave the project when the tenant chooses to exercise mobility. Recently, HUD clarified that an assisted household would be eligible to receive an available Housing Choice Voucher after residing for two years in a property converted to a project-based contract under the new program.

NAHMA does not support authorizing legislation for the TRA and does not believe Congress should move forward with legislation on this initiative without complete answers to the looming questions. So far, this proposal has encountered skepticism among the multifamily and PHA communities.

NAHMA is very troubled that HUD has again proposed eliminating the limited English proficiency (LEP) program as a line-item account. HUD has not specified if LEP translation funding would be funded under Fair Housing and, if so, from which account. NAHMA is concerned that without the line-item the money may be used for other purposes. NAHMA will continue to advocate for comprehensive LEP authorization language that will:

- Create a task force of industry and civil rights stakeholders to identify vital documents;
- Require HUD to translate the vital documents;
- Create a HUD-administered 1-800 hotline to assist with oral interpretation needs; and
- Authorize appropriations.

The proposed FY 2011 budget decreases to HOME and the RHS Multifamily Housing Revitalization program are also troubling. These programs provide funding

for construction of additional units and rehabilitation for existing affordable rental housing units, as well as much needed job opportunities in America. It does not seem prudent to cut funding to these programs.

Furthermore, it is uncertain if or when Congress will provide funding for the Housing Trust Fund. It would be unwise to cut HOME and RHS programs based on an assumption that the Housing Trust Fund and Neighborhood Stabilization Program would fill the gap in new construction and preservation the funding cuts would leave behind. NAHMA will continue to push for adequate funding for the HOME and RHS Multifamily Housing Revitalization accounts.

NAHMA was also disappointed with the flat funding of the Section 538 program, which does nothing to keep pace with the program's needs. With increased operating costs and rising inflation, there is less and less money available for new construction or rehabilitation when programs like Section 538 are flat-funded. In addition, the lack of interest subsidy on the loans reduces the funding available to property owners to reinvest in rehabilitations and other general improvements to the property for tenants. NAHMA will continue to press for additional funding for this account and the inclusion of the interest subsidy.

NAHMA ASKS FOR MEMBER SUPPORT

NAHMA encourages members to continue communicating with NAHMA and their elected officials about multifamily affordable rental housing concerns, including funding levels, so that its members can continue to provide an exceptional quality of living for low-income families.

NAHMA's grassroots page has information on communicating with members of Congress and also contains additional information on affordable housing issues. For more information, go to www.nahma.org/content/grassroots.html. **NN**

Michelle Kitchen is Director, Government Affairs, and Lauren Eardensohn is Manager, Government Affairs, for NAHMA.

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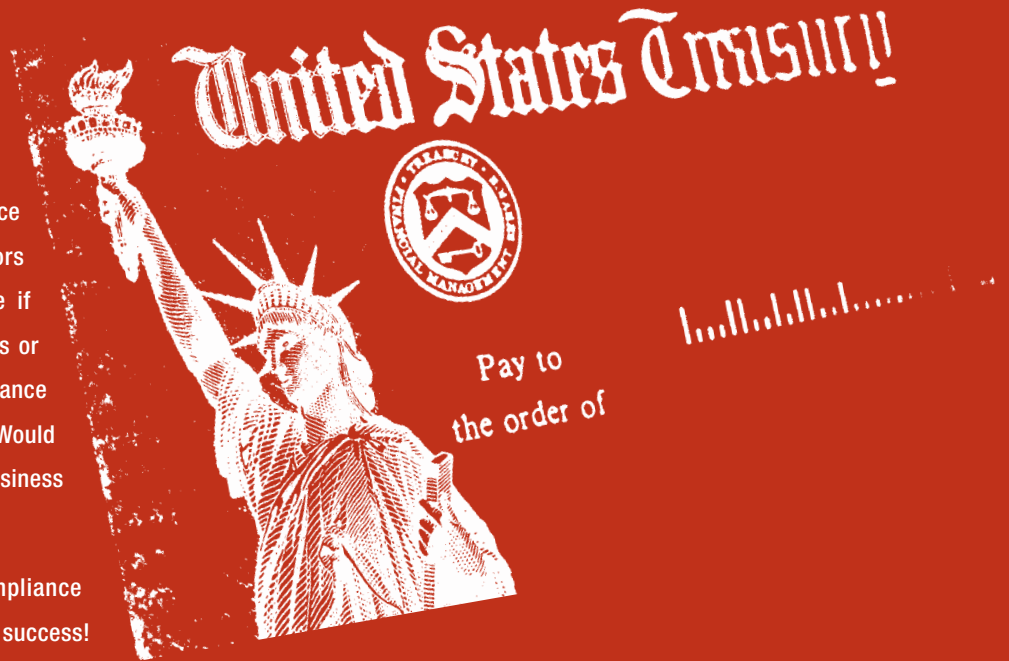
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LIHTC Program Could Get Boost from Jobs Legislation

WHEN CONGRESS RETURNS FROM its Easter/Passover recess on April 12, one of the top items for its to-do list is legislation to create incentives for jobs creation in small businesses.

Among the provisions under consideration for that bill are proposals to reinvigorate the Low Income Housing Tax Credit (LIHTC) program. Since many of the businesses involved in the program are small businesses, such as property managers, architects, engineers, plumbers, electricians, carpenters, concrete fabricators, bricklayers, roofers, and other specialties, proposals to help bring back the LIHTC program will clearly benefit small businesses.

A LITTLE CONTEXT

As the nation's largest and most successful affordable rental housing production program, the LIHTC program has financed more than two million apartment homes since 1987 and about 120,000 annually in recent years.

According to the National Association of Home Builders, until recently the program supported about 140,000 jobs annually and benefitted local economies from the addition of \$1.5 billion in taxes and other revenues. Housing tax credit properties are also managed very well, with an extremely low annual foreclosure rate below 0.1%, according to accounting firm Ernst & Young.

Not only has it produced quality, well-managed apartments and well-paying jobs, the Housing Credit program brings well-designed rental housing to a wide variety of communities and saves valuable at-risk existing affordable housing. It provides affordable homes to working families and

vulnerable populations with special needs—the elderly, people with disabilities and people who are homeless. It addresses the housing needs of acutely underserved communities, such as farmworkers and Native Americans, and it is the key housing resource for transformative community redevelopment and revitalization efforts nationwide.

However, the recession and the financial crisis have drastically reduced investment in the LIHTC program over the past two years. Private investment has fallen from a high of about \$9 billion in 2006-2007 to about \$4.5 billion in 2009 and is expected to remain depressed in 2010. If no action is taken, this reduced investment will result in as many as 60,000 fewer affordable apartments built and 70,000 lost small business jobs annually in coming years.

TCAP AND PRIVATE INVESTMENT

Congress responded early last year, through the American Recovery and Reinvestment Act of 2009 by providing \$2.25 billion in the HUD-administered Tax Credit Assistance Program (TCAP) to help jumpstart stalled development. It also gave state housing agencies the ability to exchange a portion of their Housing Credit allocations for direct spending funds that can be used to maintain the affordable housing development pipeline.

But TCAP and the exchange programs are temporary programs meant to deal with the immediate affordable housing crisis. Investment markets will not fully recover in 2010, and further action is needed to ensure America's affordable housing development's long-term success.

The TCAP and exchange programs were not intended to be and should not be viewed as substitutes for private investment in the LIHTC program.

ACTIONS BY CONGRESS

Congress has taken further action on the Housing Credit program this year. Both the House and Senate have passed legislation to extend expiring tax provisions (HR 4213), which include an extension of the exchange program to 2010. House and Senate will need to reconcile their different versions of HR 4213 before it can be enacted. Furthermore, the House passed a small business jobs bill (HR 4849) on March 24, which included a provision to fund Housing Credits that are generated from tax-exempt multifamily housing bonds.

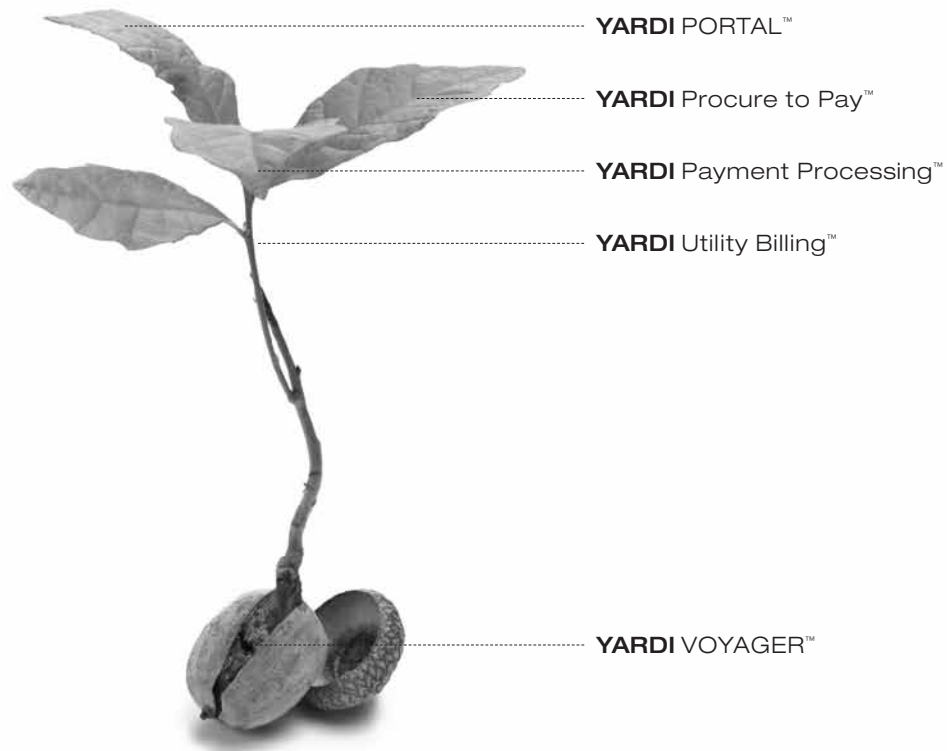
There are the two other proposals that Congress has not yet acted upon:

- Increasing the Housing Credit carryback to five years: Rep. Pascrell, D-NJ (HR 4109) and Sen. Bingaman, D-NM (S 3141) have introduced bills on the carryback, which Ernst & Young estimated would increase Housing Credit investment by \$5 billion by the end of 2011.
- Investor expansion proposal: No bill on this proposal has been introduced yet, although Rep. Etheridge, D-NC and Sen. Cantwell, D-WA are considering introducing bills on this proposal.

Senate consideration of a small business jobs bill is the best potential vehicle for the remaining Housing Credit proposals, and we expect the Senate to act on it after the Easter/Passover recess. **NN**

Peter Lawrence is senior policy director for Public Policy for Enterprise Community Partners.

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Mandate to Use EIV Causes Concern

HUD recently released its Final Rule, “Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs: Implementation of the Enterprise Income Verification System-Amendments,” which became effective on January 31, 2010.

The regulation does not include troublesome provisions from the original rule, which would have changed the definition of annual income and HUD’s noncitizen rules. The scope of the final regulation has been scaled back to:

- Simplify Social Security number (SSN) disclosure and verification processes, to the extent feasible and consistent with maintaining confidentiality of these processes;
- Mandate the use of the Enterprise Income Verification (EIV) System in HUD’s public and assisted housing programs; and
- Require Public Housing Agencies (PHAs) to electronically submit form HUD-50058, including the Family Self-Sufficiency (FSS) Addendum. It also establishes record keeping requirements for these forms.

NAHMA recently released a *NAHMA Analysis* that contains detailed information about changes to the rule. This can be found online at the NAHMA *NAHMA Analysis* and HUD web pages at www.nahma.org. Detailed information about changes to the rule and NAHMA’s public comments are available on NAHMA’s HUD webpage, <http://www.nahma.org/member/hud.html>, under the Enterprise Income Verification heading.

POSITIVE ASPECTS OF THIS POLICY/PROPOSAL

NAHMA is pleased that the new Administration substantially revised the final rule before proceeding with imple-

mentation. HUD thoughtfully addressed several concerns raised by NAHMA and other industry organizations.

First, HUD withdrew the amended definition of “annual income” that was included in the initial January 27, 2009 version of the rule. NAHMA’s previous comments expressed serious concerns that the historical income calculation method in the definition left O/As unclear about when they should determine the tenant/applicant’s current income by “project-

With respect to implementation of EIV, NAHMA is pleased that HUD now allows independent public auditors to view EIV records.

ing forward” or by “looking back” at past income received.

NAHMA appreciates that HUD decided to drop these changes from the Final Rule and to maintain the definition of annual income as it was prior to January 27, 2009.

NAHMA also applauds HUD’s decision to withdraw the January 27, 2009 amendments to the noncitizens regulations. As NAHMA requested in its March 13 comments, the final rule states that the SSN disclosure requirements are not applicable to household members who do not claim the eligible immigration status necessary to receive assistance. Assistance to families with mixed immigration eligibility status will continue to be prorated.

The final rule makes other noteworthy improvements in the SSN disclosure and verification requirements that will reduce the administrative burdens for housing providers, enhance privacy protections for residents, and minimize inconvenience to residents. NAHMA is pleased that HUD acknowledged and addressed the unintended consequences these requirements could have had on current elderly residents.

“Grandfathering” existing elderly residents from having to disclose a SSN

is a sensible approach to implementing this policy. Another prudent clarification exempts individuals who have previously disclosed a valid SSN from the disclosure and verification requirements (unless they were issued a new SSN). In addition, the final rule removes guesswork from the SSN verification process by listing specific types of documentation participants must submit to verify their SSN.

With respect to implementation of EIV, NAHMA is pleased that HUD now

allows independent public auditors to view EIV records. These auditors must sign the EIV Rules of Behavior, which O/As must keep on file. The auditors may only view EIV hard copy information contained in tenant files to assess the O/A’s program compliance. Members must take note that third party auditors are not authorized to obtain access to EIV, and they may not download any information from EIV to portable devices.

ISSUES OF CONCERN TO NAHMA

EIV implementation was mandatory as of January 31. Through the public comment process, NAHMA strongly objected to the *mandated* use of EIV for multifamily owners and management agents, arguing that there are a number of technical, procedural and policy issues that the Department must resolve before subjecting owners/agents to penalties for noncompliance.

Unfortunately, the Department insisted that further delay in EIV implementation was “without satisfactory justification.” In HUD’s view, the public interest in ensuring correct subsidy determinations outweighs concerns about EIV-related technical and policy issues. Nevertheless, HUD conceded that system improve-

ments will be needed and users will require ongoing education and guidance.

Although NAHMA agrees that EIV is an effective tool to discover unreported income, it strongly urged HUD to reduce the administrative burdens on affordable housing providers associated with using EIV prior to implementing the mandate. Such burdens include, but are not limited to, procedures for:

- Authorization to access and to use EIV;
- Collecting overpaid subsidy from residents;
- Refunding overpaid subsidy to HUD;
- Documenting how the owner/agent determined whether the tenant's reported income or the EIV information was in error;
- Complying with the EIV mandate despite high staff turnover at the site-level management of affordable properties.

NAHMA is quite disappointed with HUD's response to public comments about EIV-related administrative burdens. What the rule does not explain is just how much administrative work will be necessary to comply with the EIV mandate. Owners and management agents will have to make a number of changes to their tenant selection plans, policies and procedures in order to run the required EIV reports. The O/A's staff will require ongoing security training. Paperwork and documentation will be essential—especially with respect to the HUD-9887, the HUD-50059, resolving income discrepancies, EIV rules of behavior and complying with the record keeping requirements. Also, HUD is recommending having two EIV coordinators in case one leaves.

On a more positive note, HUD did change the timetable for certifying EIV users from quarterly to biannually.

NAHMA specifically requested a longer period of time between recertifications for EIV users.

FOR MORE INFORMATION

Besides the final rule, other guidance materials are available. HUD's Office of

Housing published Notice H 09-20, Enterprise Income Verification (EIV) on December 7, 2009. A December 2009 instructional webcast led by Multifamily's Office of Housing and Grant Administration and the accompany-

Owners and management agents will have to make a number of changes to their tenant selection plans, policies and procedures in order to run the required EIV reports.

ing slide show for the webcast can be accessed at <http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivtraining.cfm>.

NAHMA has asked HUD to clarify several aspects of these materials.

First, HUD was asked to be more specific about when each report available through EIV must be run. The regulation and its preamble emphasize that EIV is to be used to verify employment and income at the time of recertification. The preamble explains EIV can't be used at move-in because the HUD-50059 is not yet filed. In addition, a form HUD-9887 must be on file before the O/A may access the income reports in EIV.

The webcast, slideshow and Notice H 09-20 make more detailed distinctions between the verification reports and the income reports available in EIV. For instance, the latter documents advise O/As to run the existing tenant report on applicants. The existing tenant report does not require a HUD-9887, and the report includes no income data. Further guidance is urgently needed to explain when each specific EIV report is to be run at each stage of the application, move-in, and recertification process. NAHMA has asked HUD to prepare a matrix that lists each report in EIV (i.e. existing tenant, multiple subsidy, income reports, etc.) required documentation on file for each report (such as a 9887 for tenant, reference in tenant selection plan, etc.), when the O/A must run the report and when the O/A may run the report.

Another area of concern is instruc-

tions for repayment agreements. On page 26 of Notice H 09-20, paragraph (c) states, "The repayment agreement should contain a clause whereby the terms of the agreement can be renegotiated if there is a decrease or increase

in the family's income." NAHMA has strongly urged HUD to revise the guidance by including a dollar value threshold for the renegotiation. For the sake of consistency, the \$200 per month increase or decrease which triggers recertification would be appropriate.

Finally, considering the amount of administrative effort that will be required to correct improper subsidies to tenants after the fact, NAHMA remains concerned that EIV income and employment information is not available when the family applies to participate in the housing programs. NAHMA encourages HUD to expedite guidance to O/As with respect to the timeframe for consulting income and employment information in the EIV system once the form HUD-50059 has been transmitted.

NAHMA'S POSITION

NAHMA remains concerned about HUD's decision to require multifamily housing operators to use EIV as of January 31, 2010. While in agreement that EIV serves an important purpose as a tool to offer greater assurance that the proper housing benefit is going to qualified individuals, NAHMA is concerned about the additional administrative requirements associated with this mandate.

Until NAHMA can assess the extent and severity of the administrative burdens the EIV mandate imposes on members, the organization will not advocate extending EIV to certify tenants' income in Low Income Housing Tax Credit and bond financed properties. **NN**

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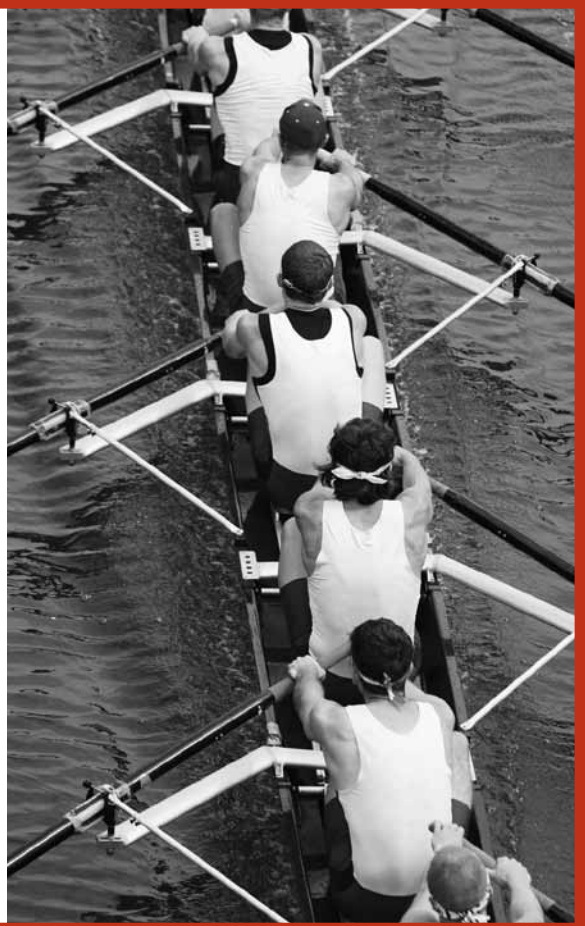
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Winter Meeting News



1

NAHMA'S ANNUAL WINTER MEETING, held March 14-16, 2010 in Washington, D.C., featured panel discussions on regulatory affairs, visits to members of Congress and their staff, and recognition events for Communities of Quality® award winners and Industry Award winners.



2

All of NAHMA's committees met to bring the benefit of their considerable experience to issues of concern to the entire industry, including rural housing, senior housing, tax credits, TRACS, and HUD, RD, regulatory and federal affairs.

Other dedicated NAHMA members met in committees to discuss issues of internal importance to NAHMA: education and training, membership and marketing, budget and finance, and others.

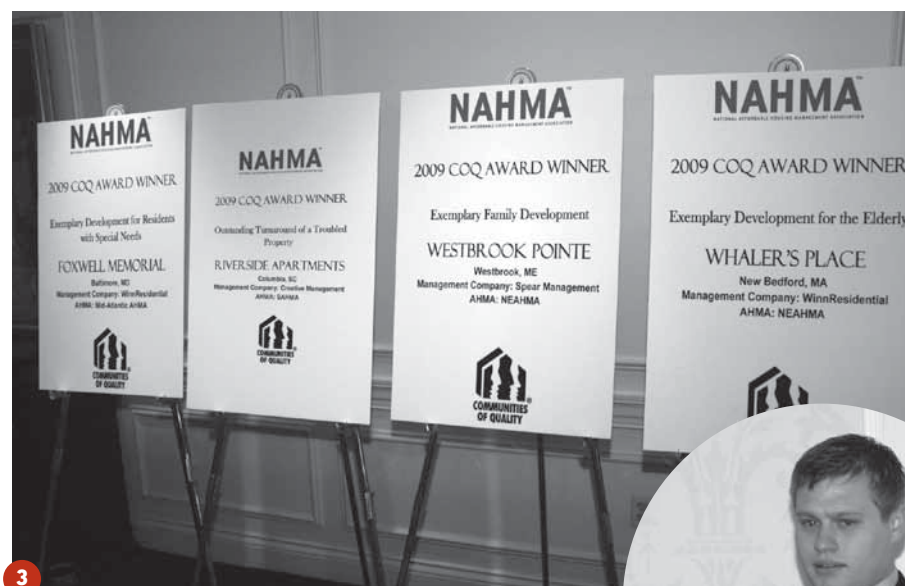
A highlight of the meeting was the presentation of the annual Communities of Quality® awards, which were made by Carol Galante, Deputy

Assistant Secretary for Multifamily Housing at HUD. Another highlight of the meeting was the annual Industry Awards ceremony (see article on page 20).

Several important panel discussions were held, including one on HUD regulations, TRACS & Contract Administration, tax credits, problem properties, rural housing and senior housing, among others.

This well-attended annual meeting illustrated the prominent place NAHMA has earned over its 20-year history. The next annual meeting will feature a forum on public policy issues. It will be held on Wed., June 23, 2010, in conjunction with the NAA Annual Conference and Exposition, June 24-26, 2010 (Thursday-Saturday), at the Hilton New Orleans Riverside.

NAHMA's Fall Meeting on regulatory issues will be held October 24-26, 2010 (Sunday-Tuesday) in Washington, D.C. For details on these upcoming events, go to www.nahma.org/meetings/MeetingInfo.html. **NN**



1. NAHMA's Senior Housing Committee meets to discuss key policy issues with HUD staff.
2. Senior Housing Committee Chair Allan Pintner confers with Willie Spearmon, Director of HUD's Office of Housing Assistance and Grant Administration.
3. An array of posters announces the Communities of Quality® award winners.
4. Sean Bratton of Virginia Tech shares his first REAC inspection experience.



Kudos to Winter Meeting Sponsors

NAHMA and its Board of Directors would like to thank the following for their support of its important meeting in the nation's capital, including their hosting of breakfast and lunch networking sessions:

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NAHMA also wishes to thank the following corporate partners for their support of the Communities of Quality® Awards program.

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Industry Award Winners Lauded at March Meeting

NAHMA officially presented its 2009 Industry Awards at its March 2010 meeting in Washington, D.C. Both individuals and organizations were acknowledged for their innovative work in improving affordable housing nationally, regionally and in their local communities. Organizations were also acknowledged for their contributions to the growth and development of NAHMA, as well as for their own growth and development.

NAHMA INDUSTRY STATESMAN

This award goes to an outstanding industry leader whose long-term service to NAHMA and the affordable housing industry has been a constant source of inspiration. This year's recipient was:

Bill Kargman, President and CEO, First Realty Management Corp., Boston.



Bill Kargman has been at the national forefront of the industry for more than 30 years. His company currently manages a portfolio of over 6,000 apartments and condominiums in Massachusetts, Rhode Island, and New Hampshire. Bill earned his JD degree from

Boston College Law School, his MBA degree from Columbia University, and his AB degree from Harvard College. Prior to becoming involved in real estate management and development, he worked as a public defender. According to NEAHMA, the New England AHMA would not exist except for the efforts of Kargman, who advanced the initial costs of the operation, contributed staff and administrative support and coordinated the AHMA's activities out of his company's office. Bill also helped found the National Advisory Council, one of the two predecessor organizations that merged to create NAHMA. He served as NAHMA's first president in 1990 and was the first to propose the Community of Quality® concept as a benchmark of successful management of affordable housing. He continually identifies emerging issues and trends that propel the industry forward.

NAHMA INDUSTRY ACHIEVEMENT

The following awardee was recognized for her ever-increasing level of service, the strategic nature of this service and her commitment to affordable housing.

Karen Newsome, Vice President, Administration, Winn-Residential, Boston. Karen has served NAHMA in numerous capacities while also being extremely supportive of her local

AHMA (NEAHMA) and the AHMAs nationally. Currently NAHMA's board treasurer, she has chaired numerous national and local committees, focusing on membership, tax credits, and the development of the nationally respected Specialist in Housing Credit Management credential. She has testified on behalf of NAHMA before the House Financial Services Subcommittee on Housing and Community Opportunity on the Section Eight Voucher Reform Act (SEVRA). She also represented NAHMA as a speaker at the 2009 National Apartment Association conference and is routinely sought after to speak at various industry events. For her professionalism and commitment, Karen Newsome was selected for the Industry Achievement Award.



NAHMA INDUSTRY PARTNER

Two awardees so strongly exemplified the value that can result from strong partnerships that this category could only result in a tie:

Scott Hunley—Scott Hunley is the Multifamily Hub Director for the State of Ohio, overseeing the HUD portfolio through offices in Columbus, Cleveland and Cincinnati. Scott's HUD experience includes several years in production and asset management, and he has also served as the director of the Los Angeles Enforcement Center. Prior to his appointment in 2007



as the Hub director in Ohio, Scott assisted developers in all aspects of structuring and developing tax credit projects as Vice President of Development for Ohio Capital Corporation for Housing. As an owner representative of more than 60 LIHTC properties, Scott brings considerable experi-

ence in partnership management, financial restructurings and disposition of affordable housing properties. Scott attended Franklin University and Ohio State University and received a B.S. degree in finance. He also holds the designation of Certified Property Manager® (CPM) from the Institute of Real Estate Management (IREM).

Marcie LaPorte—As Director of the Denver Multifamily Hub, Marcie LaPorte is responsible for all asset development and asset management programs in a six state area that includes Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming. With a staff of 40 located in the Denver office, Marcie oversees a portfolio of more than 1,200 properties with rental subsidies valued at \$453 million. Marcie has worked for HUD in Des Moines, at Headquarters and in Denver. Her experience includes three years as a senior property manager for a property management company. Marcie holds the Certified Property Manager® (CPM) designation from the Institute of Real Estate Management (IREM). She has a Masters degree in Public Administration from USC, with undergraduate degrees in Business Administration and Economics from Hastings College in Hastings, Nebraska. For more than 25 years, Marcie's focus has been strengthening the multifamily housing arena through strong partnerships and diligent service.

AHMA OF THE YEAR

Regardless of size, these organizations go all out for their members and serve as role models for other AHMAs around the country.

Large (tie): SAHMA (Southeastern AHMA) and MAHMA (Midwest AHMA)

SAHMA serves a large region that includes eight states, Puerto Rico and the Virgin Islands. It more than meets the challenge of providing training and other services across such a large region. Education is one of the cornerstones of the organization. SAHMA has a long-standing partnership with Aging Services of Georgia, the AAHSA affiliate in Georgia, to provide opportunities for training, SHCM certification and various symposia. SAHMA has facilitated a service coordinator track in Alabama with success and is discussing with the American Association of Service Coordinators how they might partner in the future.

In 2009 SAHMA had 30 events planned and expected to train more than 900+ students by year's end. SAHMA continues to be an active supporter of continuing education and NAHMA's certification courses and credentialing programs. It offers its members access to online



training as well. SAHMA has considerable financial stability and currently holds more than six months' operating expenses in reserve. Its relationship with vendor members continues to strengthen, and the organization enjoys their continued support and attendance at trade shows.

SAHMA hosts nine state-level meetings throughout the spring and a regional conference in August 2009 was the fifth year SAHMA hosted a meeting in Puerto Rico, and the attendance was equal to its 2008 numbers. SAHMA continues to provide a diverse and extensive catalog of member services, including publications, a Drug-Free Poster Contest that draws more than 900 participants, scholarships and awards, and other resources.

MAHMA serves a large six-state area and partners with other industry organizations to provide affordable housing education to a wider scope of individuals. MAHMA is also furthering its use of technology-based training so that it can reach individuals in remote locations.

MAHMA aggressively identifies potential member companies. It markets all education programs to both member and non-member companies and follows up with non-member com-

panies that send employees to a MAHMA training. In 2009, 220 of 250 members (88 percent) renewed membership and 14 new members joined MAHMA. Of the companies that did not renew, many are no longer doing business in or with affordable housing or were purchased by other MAHMA member companies.

Among its 2009 highlights, MAHMA

- Redesigned its website to create a more user friendly tool. It provides members with a greater ease of communication, allowing them to post questions directly to other members.
- Offered the NAHMA SHCM designation course three times, with 45 attendees sitting for the exam.
- Partnered with the Property Management Association of West Michigan (PMAWM) and the Detroit Metropolitan Apartment Association (DMAA) to provide affordable housing education to a wider scope of individuals. MAHMA, PMAWM and DMAA provided seven training sessions and looks forward to continuing the partnerships in the future.
- Held its third Regional Affordable Housing Conference.

Small: JAHMA (New Jersey AHMA)

JAHMA currently has a retention rate in all member categories of around 90 percent.

JAHMA is proud of its education and training course offerings and attendance, which included nine meetings as well as its one-and-a-half day annual Spring Management Event and



two membership breakfast meetings with speakers on topics of current interest to its members. JAHMA is also proud of the number of Nationally Recognized Communities of Quality® properties (24 in 2009, an increase of 25 percent over 2008).

The annual JAHMA Foundation Fundraiser Golf Outing for the Scholarship Program raised more than \$47,000, and scholarships were awarded to 34 applicants. The JAHMA Foundation also sponsors its innovative “In Time of Need” Furniture Distribution Program (winner of the 2006 NAHMA Innovative Program of the Year Award), to date donating furniture to



needy residents valued at more than \$400,000.

JAHMA has been instrumental in the formation of the PennDel and New York AHMAs over the last several years, and in 2009 PennDel AHMA named JAHMA as its recipient of The Industry Partner Award in appreciation of all the assistance given over the past five years.

JAHMA continues to be a promoter and supporter of NAHMA’s annual Calendar/Poster competition and both sales and submissions continue to grow, with a local winner named in 2009 for publication in the 2010 calendar.

JAHMA, along with the Department of Community Affairs and the New Jersey Housing and Mortgage Finance Agency, co-sponsored the 2009 Governor’s Conference on Housing and Community Development in Atlantic City, NJ, which provided representatives from the housing and community development sector the opportunity to exchange ideas, learn about advances in the field, forge new relationships and tackle New Jersey’s housing challenges. This two-day event had more than 900 attendees and 200 exhibitors. Keynote speaker was HUD Secretary Shaun Donovan, who was introduced by New Jersey’s Governor, The Honorable Jon Corzine.

Very Small: Oregon AHMA

Oregon AHMA has increased its diversity of membership, forged successful new partnerships, offered monthly boot camps and networking events and secured funding for development of professional website. The organization is especially proud of the diversity of its members, which expanded in December 2009 when its sister association, Oregon CARH, dissolved its trade association status and its members joined Oregon AHMA.

Oregon AHMA’s annual conference and trade show is very popular with its vendors, who have the option to have both exhibitor space and the opportunity to give a short presentation at the conference’s main session or during a topic track of its choice. Nearly 800 people attended Oregon AHMA’s monthly programs in 2009. The AHMA always asks for evaluation of its train-

ings in order to better plan future classes—something considered at its Board’s annual summer retreat.

Oregon AHMA also places great emphasis on advocacy, in both Washington, D.C., during NAHMA’s annual legislative conference, and locally by inviting elected officials to tour AHMA-member properties.



AHMA MEMBERSHIP RECRUITMENT AWARD

This award is presented to those organizations who achieve outstanding recruitment of members in relation to their size and history.



SAHMA—SAHMA’s unit of membership is the management company, not the property. In 2009, SAHMA recruited 40 new members and has earned high retention rates over the last dozen years. For 2009 SAHMA billed 508

members (the highest in its 27-year history) and renewed 447 of those, translating into an 88 percent retention rate.

AHMA INNOVATION AWARD

Two organizations were recognized for innovative approaches to challenges at their sites and/or in their communities:



Mid-Sized: Rocky AHMA—Rocky AHMA developed from scratch an online training course on HUD’s Basic Occupancy Handbook, updating it within two months when Change 3 came along. More than 100 people in Rocky AHMA’s huge, mostly rural, mountainous

region have taken the course online, and Rocky AHMA is partnering with other AHMA’s to offer the course online.

Small: NEAHMA—NEAHMA credits its forward-looking Board of Directors for having the kind of vision that leads to innovation. For 21 years the organization has been developing new programs. Its latest major initiatives led to the organization achieving this award.

The first is a thriving charitable program called TEAM NEAHMA that was created and branded in 2008. Team NEAHMA is a joint effort between NEAHMA, its management company members and its vendor members to



give back to the people who live in communities of affordable housing. Together, Team NEAHMA raises funds to help provide various forms of support such as education, shelter, advocacy, breast cancer awareness and job placement to people in need by partnering with a number of charities that include The NAHMA Educational Foundation, Amos House (a social services agency that provides hospitality and direct services to the homeless and poor of Rhode Island), and The Susan G. Komen Fund (by participating annually in its Race for the Cure™), among others.

NEAHMA's second innovation is a maintenance training calendar that focuses on meeting the needs of maintenance personnel. The first maintenance training, held in 2008, focused on water and mold. In 2009 a full complement of maintenance trainings was designed to support NAHMA's new maintenance designations, the National Affordable Housing Management Technician (NAHMT) and the National Affordable Housing Maintenance Professional (NAHMP). In 2009, NEAHMA held 24 workshops all over New England and generated \$102,247 in income.

AHMA COMMUNITIES OF QUALITY® AWARDS

NAHMA is pleased to acknowledge those organizations with the highest number of COQ properties based on AHMA size.

Large: SAHMA—SAHMA is extremely pleased that its members continue to support the Communities of Quality® National Recognition Program. SAHMA had the most total COQ properties at the end of 2009. Currently 169 SAHMA region properties have been accepted into the COQ Recognition Program. SAHMA also had one national COQ Award winner last year.

Small: NEAHMA—NEAHMA had the most COQ National Recognition program entries in calendar year 2009.

NAHMA MEMBERSHIP RECRUITMENT AWARD



This award goes annually to a NAHMA member who leads in new member recruitment for the previous 12-month period (based on data maintained by NAHMA staff). This year's award was a tie between:

Dan Murray, President, Corcoran Jennison, Inc., and President of NAHMA, and Scott Reithel, Vice President of Property Management, Community Housing Partners, and President-Elect of NAHMA.

NAHMA COMMUNITIES OF QUALITY® AWARD

This annual award is given to the NAHMA members with outstanding participation in the NAHMA National Recognition Program COQ Registry (based on data maintained by NAHMA staff). The 2009 award this year went to two companies—one for

having the most new properties in 2009, and the second for having the most total overall properties.



WinnResidential had the most new properties in 2009 to receive COQ National Recognition and also earn COQ Corporate Partner status in 2009, by having at least half of its affordable portfolio earn COQ National Recognition. This is a

considerable accomplishment for an affordable portfolio the size of WinnResidential's.

AIMCO has the most properties overall to receive COQ National Recognition since the program's inception, with 144 properties currently designated as Nationally Recognized Communities of Quality®. In addition, AIMCO is also a COQ Corporate Partner, with at least half of its affordable portfolio designated with COQ National Recognition. For an affordable portfolio the size of AIMCO's—this is also quite an accomplishment.



NAHMA PRESIDENT'S AWARD

The NAHMA President's Award is presented annually by the NAHMA president to a NAHMA member or other affordable housing organizational partner that has made an outstanding contribution to the cause of affordable housing in the previous year(s). This year, NAHMA President Dan Murray presented the President's Award to **The Membership and Leadership of NAHMA**, which is celebrating its 20th anniversary in 2010. (See related story on NAHMA's history on page 25.) Because many of NAHMA's board members and committee chairs have been committed to the organization on a volunteer basis for many years, NAHMA is now the leading advocate for multifamily property managers and owners whose mission is to provide quality affordable housing. The President's Award acknowledges all of NAHMA members and the 20 regional AHMAs who have supported its mission to promote the development and preservation of quality affordable multifamily housing across the nation. **NN**



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KICK-OFF THE 2010 NAHMA/NAA SUMMER MEETINGS

To register for this event, visit www.nahmaparty.com

NAHMA Celebrates 20 Years of Industry Leadership

NAHMA was established in 1990 through the combination of two organizations that had distinct but complementary approaches to influencing policies and regulations regarding affordable housing.

Beginning in about 1964, the management of assisted housing (later known as affordable housing) had been overseen by churches, conventional managers who may not have understood or cared about government-subsidized housing, or new managers grappling with this new concept of housing.

Then, in the early 1970s, two men came along who were later credited by G. Lindsay Crump, former executive vice president of the National Corporation for Housing Partnerships (and a founding member of NAHMA) with creating a path for professionalism in the industry: H. R. Crawford, HUD's first Assistant Secretary for Management, and Sam Simmons, who became the first president of the HUD-funded National Center for Housing Management (NCHM).

"Crawford's appointment ... represented the first significant indication by HUD that there was trouble in River City and that the generally poor quality of management was driving the assisted inventory into the ground," Crump said.

CREATION OF THE NATIONAL ADVISORY COUNCIL

Crump credits Assistant Secretary Crawford with "giving birth" to the National Advisory Council of HUD Management Agents in 1976. This was one of the two organizations that merged 14 years later with the National Federation of AHMAs, which grew as a result of the first Affordable Housing Management Association, in Southern California.

Known simply as the Advisory Council, the group primarily comprising property owners—which included

Crump as well as Jerry Steinbaum, president of SK Management Company, LLC and founder of the Southern California AHMA—seized upon the management issues facing the industry.

The Advisory Council "brought about widespread, important reform in how our housing was to be managed," Crump said during a keynote speech at NAHMA's first annual conference in 1991. These reforms affected replacement reserve policies, operating budgets, fraud and mismanagement policies, rent increase

The Advisory Council got "... HUD to shift from a backward looking, rent-setting formula based on what your actual costs had been ... and instead helped HUD create a forward-looking formula where rents could be based on anticipated costs."

procedures, occupancy standards, the use of surplus funds, and many other issues.

"The Advisory Council did some very important things and had a huge impact on the business," said Charlie Wilkins, principal of The Compass Group. The Advisory Council got "... HUD to shift from a backward looking, rent-setting formula based on what your actual costs had been ... and instead helped HUD create a forward-looking formula where rents could be based on anticipated costs. Had it not been for the NAC, those two things might never have happened."

The Advisory Council worked with HUD to set up the first forums to determine which items would be included in management fees. Then the Section 8 program was established, and, after two full years of advising HUD, the new management fee Handbook 4381.5 came into use in June 1986. This constituted major reform, especially toward correcting the significant discrepancy in fees for Section 236 projects.

Meanwhile Dan Grady, a prominent

leader in the homebuilder's industry, became the Advisory Council chairman. Grady led the charge on Capitol Hill to awaken the Congress and to seek the preservation of the nation's housing stock. At his request, Crump served as General Chairman of the National Housing Preservation Task Force. Made up of 27 leading practitioners in the industry, all representing management, this task force met for 14 months to strike at the heart of the preservation issue and to recommend to Congress the steps necessary

to preserve the housing inventory.

The task force's report to Congress made recommendations that Crump said were "followed almost verbatim" in some of the legislation that followed.

Another big issue addressed by the Advisory Council, according to Bill Kargman, president of First Realty Management Corporation, also came to the fore in the late '80s, when the first HUD housing developments reached their 20th year. "Tenants feared that prepaid mortgages would be the end of affordable housing," Kargman said, "and the National Advisory Council helped craft a bill that eventually led to passage of the Emergency Low Income Housing Preservation and Resident Homeownership Act of 1990 (ELIHPA) and The Low-Income Housing Preservation and Resident Homeownership Act of 1990 (LIPRHA)."

CREATION OF THE FEDERATION OF AHMAS

While the National Advisory Council was making its mark in Washington,

D.C., Jerry Steinbaum's Southern California AHMA kept growing. Its members were primarily senior-level managers concerned with the day-to-day operations of affordable properties. Therefore, its focus was on working with local HUD officials to ensure consistency in program applications and on providing high quality services to residents.

The Southern California AHMA was so successful that managers in other states and regions asked for their help in creating their own AHMAs. "We helped maybe six or more," said Johrita Solari, president of Solari Enterprises, Inc. in Orange, Calif., who was a founding director of the Southern California AHMA.

Eventually the AHMAs decided that they could be more effective in dealing with HUD staff if they joined forces and created a new organization. A group of AHMAs from around the country met in Chicago in 1987 and created the National Federation of AHMAs. "We did it over the weekend," Solari said. "We knew we needed it."

As the AHMA network grew, it got more involved in HUD-related issues (including seeing that HUD regulations were being enforced evenly across the country). John Autry, president of Monarch Properties, Inc. of Dallas, also called the management fees a "polarizing issue for both sides."

The Federation began creating programs that targeted specific issues and could be considered an allowable expense by HUD. Also, with the drug epidemic in full and deadly flower, the Federation created the "AHMA Drug-Free Kid" calendar contest as a way to educate residents about the dangers of drugs.

"We were proud to be able to have an impact locally," Solari said. "We were proud of our successes, but recognized that the Advisory Council had this phenomenal brain trust. As property owners, they

were the big movers and shakers. They knew people on the Hill; they had legislative contacts we just didn't have. We were the new kids on the block."

Still, the Federation kept growing, and soon its membership exceeded 2,000.

Autry recalled that the two organizations were happy "each doing what they were doing." For several years, Solari said, the two organizations "ran parallel courses."

Crump felt that NAHMA, more than any other organization, "stood between the demise of our assisted housing inventory and a useful future for that same inventory." He noted, for example, that it was NAHMA's responsibility to raise the bar on the professionalism of the industry.

Then, Kargman said, "the representatives of HUD said to both of us, 'we can't work with both organizations independently; you have to do something.'"

"The impetus to form a new group was the realization that we needed each other," recalled Johrita Solari. "Both organizations had a great platform, but together we would be even stronger."

The two organizations merged in 1990 and called the new organization the National Assisted Housing Management Association. 'Assisted' was changed to 'Affordable' in late 1996.

A NEW ORGANIZATION TAKES ROOT

Twenty-five years after the modern-day management of assisted housing began, the industry's leaders came together as a cohesive, national entity with a common purpose.

Bill Kargman became the first president of NAHMA, with a board of 16. The first executive director, John Bohm, worked with the board members to meld one organization that had individual members with another that had group members. A new membership structure was created, as were bylaws and a governance structure.

The original executive council had 60 members.

"Then as now the organization tended to do its business through the executive council as a whole, with a couple big com-

mittees—the federal affairs committee and the Congressional committee—and everybody tended to belong to both committees," Kargman said.

"Now there are smaller committees, working groups, task forces, etc., but then as now the real decisions get made in the executive council."

It took a little while for the organization to get its footing financially, and Wilkins

chaired a task force in the early '90s after a lot of money had been spent lobbying on a legislative issue very important to the members, he said. But the task force found that the organization was fundamentally sound and that, in a couple years, "we would dig our way out naturally."

"That was a real turning point for the organization, because another thing the task force noted was that it was important to get the merger behind us. The two organizations were very different, and NAHMA needed to find a way to represent both points of view effectively. The task force made several recommendations that were adopted and that made NAHMA able to meet the needs of all the members."

"It was an important point in the history of NAHMA in that it really completed the business of the merger... then the organization really took off."

THE EVOLUTION OF NAHMA

In his keynote address at NAHMA's first national conference in 1991, Lindsay Crump had an inspired and prescient view of how important the organization was and how influential it would become.

Crump felt that NAHMA, more than any other organization, "stood between the demise of our assisted housing inventory and a useful future for that same inventory."

He noted, for example, that it was

NAHMA's responsibility to raise the bar on the professionalism of the industry, providing professional training at a high level. The achievement of this professionalism through NAHMA's certification programs and its Communities of Quality® awards program became a centerpiece of the organization's mission.

Crump also saw that, since NAHMA represented the constituency of low- and moderate-income housing, it had "the numbers and the firepower not only to continue working for regulatory and administrative reforms, but also to guide the creation of programs that will bring about an added supply of affordable rental housing in the future."

As the number of AHMAs increased from the original one in Southern California to 20 across the nation in 2010, so, too, did the membership in NAHMA. This increased the number of ideas being exchanged, said Kargman, and soon "HUD came to realize we were the go-to organization for affordable hous-

ing management issues. That cemented our relationship, and this has remained true for both Republican and Democratic administrations once we established our credibility."

"We might not always have gotten the results we wanted, but they always listened to us," Kargman said.

THE FUTURE OF NAHMA

NAHMA members such as Bill Wollinger, president of WinnResidential, believe NAHMA "to be a great organization, carrying out its business with flexibility in an always changing environment of housing issues. It's grown, and its relevancy adapts to whatever is current. What I'm most proud of is its ability to be flexible enough to evolve over time."

"NAHMA gets an A-plus for achieving the goal of improving the professionalization of the housing management industry," Wollinger said. "The whole concept of professionalization of housing management has evolved from characterizations of

'landlords' into the professional corporations that run and operate these properties today."

"Where NAHMA is today is the leader in affordable housing management," said Johrita Solari. "There is no other organization like NAHMA. It is membership driven, and its members are totally committed to the industry, and involved. It is not a staff-driven organization.

"NAHMA members themselves can communicate one-on-one with legislators and the people who run federal departments," she continued. "You can talk to the Secretary of HUD or with top people in the IRS, who come to NAHMA's conferences. They don't just talk to staff. The members can change the course of how things are done.

"NAHMA was created by a lot of hard work by a lot of dedicated people, who will continue to be so well into the future." **NN**

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New Protocol for REAC Scores

On January 22, HUD issued a “Revised Protocol for Placing a Flag in the Active Partners Performance System (APPS) When a Property Receives a Physical Inspection Score Below 60 but Above 30.” The revised protocol took effect immediately. Properties that receive a physical inspection score of 30 or below will continue to be automatically referred to the Departmental Enforcement Center (DEC) and a flag will automatically be recorded in APPS.

WHY THE CHANGE

According to the notice, the current protocol requiring that a flag be placed in APPS when a property receives a physical inspection score that is below 60 is not accomplishing the results it was designed to achieve. In many cases, the notice says, the current protocol actually hinders new business from taking place because the department cannot complete a timely re-inspection of the property even though the owner has certified that he or she has identified all deficiencies and completed all repairs.

As of the date of this notice, Hub and Program Center staff will no longer be required to place a flag in the APPS system when a property receives a physical inspection score below 60 but above 30 on the first inspection. Instead, the Hub or Program Center will take the following actions:

For Scores from 31–59

The Hub or Program Center will not place a flag in APPS, but the Hub Director or his or her designee(s) will strive to meet with the owner in person or by telephone and issue a notice of violation and/or notice of default of a business agreement(s) for substandard physical condition within 10 days of the release of a physical inspection report.

a. The notice of default or violation

will inform the Owner that he or she: (1) must conduct a survey of the entire project and identify all physical deficiencies; (2) must correct all of the physical deficiencies at the project, including but not limited to, those deficiencies identified in the REAC inspection; and, (3) must execute and deliver the “Project Owner’s Certification that the Physical Condition of the Project is in Compliance with HUD Contracts and the Physical Condition Standards of 24 C.F.R. § 5.703” and the comprehensive survey to the HUD Office cited in the notice. The notice of default and/or violation must also inform the owner that HUD’s Office of Multifamily Housing will flag the owner and other parties responsible for the subject of the notice in HUD’s APPS if the owner does not submit the “Project Owner’s Certification” within the 60-day timeframe specified in the notice.

b. If the owner submits the “Project Owner’s Certification” within the designated timeframe, the Hub Director or his or her designee(s) will not place a flag in APPS and inform the Business Relationships and Special Initiatives Division, Office of Asset Management, that the project will be subject to the annual inspection process and be inspected by the mortgagee or bid out in a Reverse Auction on or about the new ideal date the following year. (The Hub Director retains the authority to request that a physical inspection be scheduled at anytime if he or she determines that there is good cause for doing so, such as tenant complaints, code violations, poor past performance, below average or unsatisfactory Management and Occupancy Review ratings, etc.)

If the property receives another score below 60 the following year, the Hub Director or his or her designee(s) must place a flag in the APPS system, issue a new notice of violation and/or default,

and order a new inspection through the Business Relationships and Special Initiatives Division. The new inspection will be scheduled as soon after the end of the 60 day cure period referenced in the notice of violation and/or default as possible.

If upon re-inspection the property once again receives a score that is below 60, the Hub or Program Center must once again flag the owner in APPS and complete a Compliance, Disposition, and/or Enforcement (CDE) plan which recommends what actions should be taken to obtain owner compliance with the terms of all business agreements and submit it to the Business Relationships and Special Initiatives Division for approval.

(An Office of Asset Management memorandum dated April 7, 2003, captioned, “Under 60 Compliance—Disposition and Enforcement,” discusses some of the enforcement actions that may be taken to obtain owner compliance as well as what disposition options are available if the owner refuses to comply with the terms of all business agreements.)

c. If the Hub or Program Center does not receive the “Project Owner’s Certification” within the 60-day timeframe, the Hub Director or his or her designee(s) must place a flag in APPS and request a re-inspection of the property through the Business Relationships and Special Initiatives Division, Office of Asset Management, in Headquarters. The Business Relationships and Special Initiatives Division will strive to ensure that the property is re-inspected as soon after the end of the 60-day cure period referenced in the notice of violation and/or default.

If upon re-inspection the property once again receives a score that is below 60, the Hub or Program Center must once again flag the owner in APPS and submit a CDE plan which recommends actions to be taken to obtain owner compliance. The Business Relationships

and Special Initiatives Division will strive to review and approve all CDE plans within 30 days of receipt.

In order to ensure that follow-up inspections are conducted at the appropriate time, the Hub Director or his or her designee(s) must provide the director of Business Relationships and Special Initiatives Division with a bi-weekly report by email. This report will be used to ensure that the properties in question are inspected at the appropriate time. The report must list all of the properties in the Hub Director's jurisdiction that were issued a notice of violation and/or default within a two week period.

For Scores from 31–59 if Prior to this Notice

If a property received a physical inspection score that was below 60 but above 30 before the date of this notice and the Hub or Program Center has already made an elective referral to the DEC, then the Hub or Program Center should continue to process the referral using the protocol that was in effect before the date this notice was issued. In cases where a property received a physical inspection score that was below 60 but above 30 before the date of this notice and the Hub or Program Center has not made an elective referral to the DEC, then the Hub or Program Center should remove any flags that were placed as a result of the physical inspection score and follow the new protocol outlined above.

It should be emphasized that this change to the protocol only applies to physical inspection scores that are between 31 and 59. For first inspection scores that fall below 31, there is no change in protocol.

A copy of the notice can be found at [http://portal.hud.gov/portal/page/portal/ HUD/program_offices/administration/ hudclips/notices/hsg/files/10-04hsgn.doc](http://portal.hud.gov/portal/page/portal/HUD/program_offices/administration/hudclips/notices/hsg/files/10-04hsgn.doc).

The notice and its attachments are also located at the NAHMA HUD website at www.nahma.org/member/hud.html#apps.

Please let NAHMA know of any concerns or comments on this revised protocol. **NN**

Scholarship Applications Due Online

THE 2010 NAHMA EDUCATIONAL FOUNDATION SCHOLARSHIP Application Form and Information has been available on the NAHMA website for several months. This is the first year in which applicants must file the application online. Paper copies are no longer accepted. The deadline for submission of completed applications this year is 10 p.m. EST on May 18, 2010.

In its first three years, the Foundation has awarded 114 scholarships totaling \$110,000 to worthy students residing at NAHMA-affiliated properties from 13 different AHMAs around the nation. The Foundation is looking forward to another strong response in 2010 and to being able to expand the program into new areas.

As of mid-March, the applications filed were the largest number in program history this far in advance of the deadline. The Foundation is aware that many management companies have provided information about the program to residents at local sites. If a company anticipates taking this productive step, the Foundation would like to encourage the inclusion of the following.

■ **Applicants need to go to the NAHMA website (www.nahma.org) and scroll to the bottom of the homepage to find the NAHMA EDUCATIONAL FOUNDATION icon.**

■ **After clicking on the icon, they should scroll down to the bottom of the page that comes up and click on the indicator stating "Click here to access the online application." This will lead the resident/applicant to the information packet that contains a complete and thorough explanation of all aspects of the program and the application document.**

After submitting the application, the system will respond a short time later with an individual password that allows the applicant to continue the application process and also to reenter at any time. It is very important for the applicant to retain the password for future reference.

The web based application system informs the applicant of exactly what steps have been satisfied, as well as an indication of when the application is complete. The requirements for a completed application have not changed in 2010; only the need to file online is new.



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SHCM[®] Certification Program Celebrates Success

Johrita Solari, a past-president of NAHMA and chair of its Specialist in Housing Credit Management[®] (SHCM[®]) Advisory Committee, joined with representatives of the National Apartment Association Education Institute (NAAEI) and the American Association of Homes and Services for the Aging (AAHSA) in sharing a progress report on the successful developments in the SHCM Certification Program, which completed its third full year of existence at the close of 2009.

In late 2005, NAHMA developed the SHCM certification program, which was designed

by management professionals for management professionals of properties developed and operated under

the Low Income Housing Tax Credit (LIHTC) program, to ensure they have attained the knowledge, experience and competence required to excel in the housing credit property management industry.

NAAEI and AAHSA joined NAHMA in a strategic alliance to promote education and training opportunities that support the SHCM certification program. The SHCM program is unprecedented as *the only national certification program supported by three national trade associations and their memberships.*

As experienced affordable housing management professionals know, the LIHTC program is the primary production tool for creating new affordable housing properties across every state in the country, and it is also the most important tool for rehabilitating and preserving the nation's existing stock of aging affordable housing. To maximize

their careers, management professionals in the affordable housing industry must be able to demonstrate their experience and expertise in mastering the complex requirements of the LIHTC program. Earning the SHCM enables management professionals to do just that.

Development of the SHCM exam was based on an exacting process established for national certification programs to ensure the exam is a reliable and psychometrically valid testing tool for its subject matter. NAHMA retained a well-respected third-party consultant to assist in this process. For a full report on how the SHCM exam was

acknowledged by a number of state housing agencies, and several accept it as one of the certifications required or rewarded as part of their Qualified Application Process.

5. A twice annual SHCM webinar provides continuing education and direct access for certificants to IRS compliance specialist Grace Robertson and other industry experts. The webinar is free to SHCM certificants and valued at \$75 per session for other attendees—so that SHCM certificants can recover their annual \$150 renewal cost (and earn three credits of continuing education) by participating.

To maximize their careers, management professionals in the affordable housing industry must be able to demonstrate their experience and expertise in mastering the complex requirements of the LIHTC program. Earning the SHCM enables management professionals to do just that.

developed, please visit www.nahma.org/content/shcm.html.

The test questions on the SHCM exam are reviewed and updated on an annual basis.

After three years in existence, the program has achieved the following successful milestones:

1. To date, over 1,100 property management professionals across the country have earned their SHCM certification, and a total of 1,352 exams have been administered.
2. The SHCM program is the only national certification program supported by three national trade associations.
3. The SHCM certification is acknowledged by the National Conference of State Housing Agencies, which administered the SHCM exam at one of its national events in 2009.
4. The SHCM certification is also

6. A new online blended learning course for the certification is being launched in January 2010.

7. A SHCM study guide booklet was published in 2009.

8. The SHCM exam became available as a proctored, online exam in 2008 in addition to being offered as a proctored, written exam.

9. SHCM certificants receive a free, bimonthly e-newsletter, SHCM Newsbriefs, outlining key happenings in the housing credit industry. They also receive a complimentary copy of NAA's Units magazine, and are listed in NAHMA's online Credential Directory.

10. Each of the three national organizations, and their affiliate networks, earn revenue through the program.

For more details on the SHCM program, please visit www.nahma.org/content/shcm.html. **NN**

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HUD to Consider Section 8 Waivers

On February 22, HUD issued a memo regarding "Waivers to the Section 8 Regulations and Section 8 Renewal Guide." As HUD works on formal changes to these regulations and the Renewal Guide, the agency will consider waivers for certain parts of these regulations.

Guidelines include that:

■ Waivers may be issued in relation to specific preservation transactions, either

Waivers may be issued in relation to specific preservation transactions, either potential or in progress.

potential or in progress. Major features of the transactions should be clearly defined.

■ Waivers will not be issued for transactions that have already closed.

■ Waiver requests should indicate the specific provision(s) to be waived and describe in detail the preservation transaction, including:

- Proposed sources of financing;
- Proposed changes in project ownership;
- Timing of the transaction; and
- How the waiver would facilitate the preservation of the project.

The waiver request should indicate if any related requests have been or will be submitted to allow for prepayment of the existing mortgage, decoupling of Interest Reduction Payments or deferral of flexible subsidy loans.

HUD headquarters will decide on a case-by-case basis whether to approve:

■ A. Regulatory waiver requests of 880.205(a), 881.205(a), and 883.306(a) for a non-profit owner with a new regulation Section 8 contract for new construction or substantial rehabilitation that wishes to receive:

1. A distribution limited to six percent on initial equity investment for projects for elderly families, or
2. A distribution limited to 10 per-

cent on initial equity investment for projects for non-elderly families, or

3. Unlimited distributions for preserving long-term affordability under Chapter 15, "Nonprofit Section 8 Preservation Effort."

■ B. Section 8 Renewal Guide waiver requests for certain sections of Chapter 3 and Chapter 15.

1. Chapter 3, Option One—Mark-Up-To-Market: The note found after

Section 3-2D on page 2 that permits rents to be increased up to but not exceeding the use restricted levels.

2. Chapter 15, Nonprofit Section 8 Preservation Effort.

a. Section 15-8, Cap on Market Rents, that requires the project manager or contract administrator to lower the comparable market rents in the rent comparability study to reflect any use restriction on the rents that can be charged; for example, tax credit restricted rents. This waiver will allow rents to go up to the market rent level, as determined by the rent comparability study.

b. Item A, Section 15-13, Project Eligibility that requires the project to have a REAC score greater than 30.

c. The prohibition against for-profit owners who wish to comply with the requirements of Chapter 15 from obtaining the benefits available under the chapter. Thus, the owner will know the rents permitted after the rehabilitation is complete.

For a copy of the memo, please visit the NAHMA HUD website or go to: <http://www.nahma.org/member/New%20HUD%20Docs/Waivers%20to%20the%20Section%208%20Regulations%20and%20Section%208%20Renewal%20Guide.pdf>. **NN**

REGULATORY WRAP-UP

HUD'S OFFICE OF POLICY DEVELOPMENT AND RESEARCH has updated its comprehensive profile of subsidized housing in the U.S. The Picture of Subsidized Households 2008 data set describes the nearly five million households living in HUD-subsidized housing in 2008. Characteristics of these households are summarized at the national, state, core-based statistical area, city, county, program, public housing agency (PHA), and census tract levels. Users can create custom queries of the Picture 2008 data by geography and by HUD program in order to retrieve specific data, download complete summary files, and export picture data to Geographic Information System (GIS) software for mapping. The programs covered in this data set include public housing, Housing Choice Vouchers, Section 8 Project-based Housing, New Construction and Substantial Rehabilitation, and Section 202 and 811 Supportive Housing. The profile can be accessed at <http://www.huduser.org/portal/picture2008/index.html>.

A STREAMLINED (SAVE) DATABASE

THE DEPARTMENT OF HOMELAND SECURITY (DHS) has streamlined the Systematic Alien Verification for Entitlements (SAVE) database. Beginning on May 1, 2010, users must have an updated ID and password to access the SAVE system unless a user already received a User ID and temporary password since June 2009 from HUD. If so, no further action on the user's part is required. HUD requests that users not call or email HUD to verify that an ID and/or password is valid.

If a user does not have access to SAVE or has access and did not receive a new User ID and temporary password since June 2009, do the following:

1) Send property, name, address, fax and phone number by email to: Kevin.X.Garner@hud.gov.

2) The deadline for submission is April 15, 2010.

SAVE is a web-based automated verification system owned by DHS that consists of immigration status verification information. Authorized users of HUD's Enterprise Income Verification (EIV) system who are

also authorized to use the SAVE system are now able to access SAVE from EIV.

Owners/agents must use the SAVE system to verify the validity of citizenship documents provided by applicants or tenants who are noncitizens and who claim eligible immigration status. This is to ensure that HUD's rental assistance is provided only to eligible noncitizens. For reference, see Chapter 3, Paragraph 3-12.L of HUD Handbook 4350.3 REV-1, *Occupancy Requirements of Multifamily Subsidized Housing Programs*.

DHS streamlined the SAVE database and provided HUD with a one-time opportunity to ensure that one person at each of its assisted properties has access to the SAVE system. Any additional or new staff, as well as staff that did not respond to the data upload request, must respond now if they did not receive a User ID or temporary password since June 2009, or starting on May 1, 2010, they will not be able to access the SAVE system.

Questions may be directed to Kevin Garner at Kevin.X.Garner@hud.gov.

HUD NEWS

HUD PUBLISHED THE 2010 MULTI-FAMILY MORTGAGE LOAN LIMITS, which are adjusted for inflation. See the Annual Indexing of Basic Statutory Mortgage Limits for Multifamily Housing Programs, published in a Notice in the Federal Register/Vol. 75, No. 23, which can be accessed at <http://edocket.access.gpo.gov/2010/pdf/2010-2361.pdf> for more information.

THE DEPARTMENT OF ENERGY (DOE) PUBLISHED ITS FINAL RULE FOR THE "WEATHERIZATION ASSISTANCE PROGRAM FOR LOW-INCOME PERSONS" on Monday, Jan. 25. Last summer, HUD partnered with DOE in order to expand its weatherization program for the HUD affordable housing portfolio. As a result of this final rule, if a multi-unit building is identified by HUD as part of an assisted or public housing program and included on a list published by DOE, that building will meet the income eligibility requirements and will satisfy certain procedural requirements of the program without the need for additional evaluation or verification. A copy of the final rule can be found at www.nahma.org/member/New%20HUD%20Docs/DOE%20Final%20Multifamily%20Weatherization%20Rule.pdf. The final rule is also located at the NAHMA HUD website, available at www.nahma.org/member/hud.html.

HUD ISSUED NOTICE H10-03, "Fiscal Year 2009 Annual Operating Cost Standards—Section 202 Supportive Housing for the Elderly and Section 811 Supportive Housing for Persons with Disabilities Programs." This notice contains the Operating Cost Standards, which HUD office staff should use for

REGULATORY WRAP-UP

HUD NEWS *continued*

calculating the annual per person/per unit amount of a Project Rental Assistance Contract when making Fiscal Year 2009 subsidy fund reservations for Capital Advance applications under the subject programs. A copy of the notice can be found at http://portal.hud.gov/portal/page/portal/HUD/program_offices/administration/hudclips/notices/hsg/files/10-03hsgn.doc. The notice is also located at the NAHMA HUD website, available at www.nahma.org/member/hud.html.

HUD RECENTLY ISSUED NOTICE H2010-2, “ENTERPRISE INCOME VERIFICATION (EIV) & YOU BROCHURE—Requirements for Distribution and Use.” The notice provides guidance to owners and management agents (O/As) on the distribution and use of the EIV & You brochure. Any O/A who is using the EIV system is subject to this notice. The EIV & You brochure is to inform tenants and potential tenants about the EIV system, the data that is available about them in EIV, how the information will be used, and their responsibilities as a tenant. A copy of the notice can be found at http://portal.hud.gov/portal/page/portal/HUD/program_offices/administration/hudclips/notices/hsg/files/10-02hsgn.doc. The notice is also located at the NAHMA HUD website, available at www.nahma.org/member/hud.html.

IN DECEMBER 2009, HUD INTRODUCED A PROPOSED RULE FOR THE FORMULA FOR DISTRIBUTING THE HOUSING TRUST FUND (HTF) resources to the states, titled: “Housing Trust Fund; Allocation Formula; Proposed Rule.” The Housing and Economic Recovery Act of 2008 (HERA), established the HTF to provide grants to states to increase

and preserve the supply of rental housing for extremely low- and very low-income families, including homeless families, and to increase homeownership for extremely low- and very low-income families. Also, HUD’s Office of Policy Development and Research has recently released a report titled “Regulatory Impact Analysis for the Housing Trust Fund,” which discusses the regulatory impact of the HTF. This analysis meets the requirements of Executive Order 12866 to prepare an impact analysis (for review by the Office of Management and Budget) of any regulation projected to have an annual economic impact of \$100 million or more. These materials are available on NAHMA’s HUD website under the Housing Trust Fund heading, at www.nahma.org/member/hud.html.

AS PART OF THE OBAMA ADMINISTRATION’S EFFORT TO PROMOTE TRANSPARENCY AND OPENNESS, HUD recently added the overall REAC Physical Inspection Scores to the HUD USER website, available at: <http://www.huduser.org/portal/datasets/pis.html>. Inspections conducted from 2001 through September 2009 are available online and can be downloaded as a data set. Separate datasets are also available for public housing and for multifamily assisted properties. This information is also available at the NAHMA HUD webpage, at www.nahma.org/member/hud.html.

IRS PUBLISHES NEW MILEAGE—The Internal Revenue Service has published the 2010 standard mileage rates used to calculate the deductible costs of operating vehicles for business, charitable, medical, or moving purposes. The new standard mileage rates for 2010 for the use of a vehicle are

- 50 cents per mile for business driven
- 16.5 cents per mile driven for medical or moving purposes
- 14 cents per mile driven in service of

charitable organizations
The new rates for business, medical and moving purposes are slightly lower than last year’s rates. For more information, go to www.irs.gov.

ON DECEMBER 15, 2009, HUD ISSUED PIH NOTICE 2009-52, “PROTECTING TENANTS AT FORECLOSURE ACT—GUIDANCE ON NEW TENANT PROTECTIONS.” The notice provides guidance on the tenant protection provisions included in the American Recovery and Reinvestment Act and the Helping Families Save Their Homes Act. The law allows 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 law also provides protection to housing voucher holders but requires purchasers of foreclosed buildings who receive Section 8 HAPs to honor the existing lease unless they 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. A copy of the HUD guidance can be found at the NAHMA HUD website at www.nahma.org/member/New%20HUD%20Docs/pih2009-52.pdf.

IRS NOTICE 2010-18 ASSISTS STATE HOUSING CREDIT AGENCIES IN DETERMINING HOW TO REDUCE THE LOW-INCOME HOUSING TAX CREDIT CEILING when credits are exchanged for funds pursuant to Section 1602 of the American Recovery and Reinvestment Tax Act of 2009. The notice also provides guidance concerning the affect of Section 1602 funds on building basis and taxpayer income. Notice 2010-18 was published in Internal Revenue Bulletin 2010-14 on April 5, 2010. **NN**

Dedication to the Industry and Disadvantaged Kids

BILL KARGMAN MAY NOT HAVE always known that property management was in his blood, but as the son of one of the nation's earliest affordable housing developers, the opportunities and challenges of our industry soon became obvious.

Early on, Kargman followed his own track, earning an MBA from Columbia University and a law degree from Boston College. He became a public defender, specializing in criminal law.

"When I was a public defender I really got interested in helping disad-

vantaged kids from a legal point of view, but eventually I realized it wasn't an effective approach regarding juvenile recidivism," Kargman said. His father, meanwhile, had developed 13 affordable properties, and when these proved to be problematic, Bill stepped in to work with his father to identify and implement solutions. The development company evolved into First Realty Management Corp. in 1972.

"I personally believe that HUD and the state housing finance agencies have an untapped national resource in these kids," Kargman said.

vantaged kids from a legal point of view, but eventually I realized it wasn't an effective approach regarding juvenile recidivism," Kargman said. His father, meanwhile, had developed 13 affordable properties, and when these proved to be problematic, Bill stepped in to work with his father to identify and implement solutions. The development company evolved into First Realty Management Corp. in 1972.

Kargman's interest in keeping young people out of the criminal justice system led him to pioneer resident services programs that focused on youths and families, and then expanded these to include seniors and others. "I had to convince HUD to allow these costs to be part of the rent formula," he said.

"HUD wouldn't even allow you to have an onsite management office, so there was no personal contact with residents," he recalled. "We convinced HUD that these and resident activity spaces

were necessary to create a sense of community. We also joined with other industry members and argued that management and accounting fees had to be separate and in addition to the onsite management costs.

"After we got squared away with the financial and economic realities of operation, I told my staff that we needed to distinguish ourselves from the negative public perception of 'subsidized housing projects' and that we wanted to create communities of quality. This meant more staff training, being involved with residents and listening to their concerns."

IMPROVING RELATIONS WITH HUD

Kargman had other challenges with HUD, which led him to join the National Advisory Council (NAC), one of the two organizations that were antecedent to the creation of NAHMA. "They were already meeting with HUD and made a lot of progress in areas that affected the management of privately owned affordable housing."

At the time the Advisory Council merged with the National Federation of AHMAs in 1990, Kargman was the president of the Council. When NAHMA was formed, he was elected its first president.

For all of this and more, he was presented with NAHMA's Industry Statesman Award during its most recent meeting in Washington, DC.



NEVER FORGETTING THE KIDS

Kargman made good on his intention to help disadvantaged youth.

"In our organization we promoted Communities of Quality® and supported Harvard's Project IF (Inventing the Future),

which resulted in college students working with kids in after school programs at our properties," he said. "We started our First Realty Sports and Academic Olympiads to encourage the kids at each property to work together as a team, to learn sportsmanship and discipline, and to feel the pride and self esteem of accomplishment."

"For the Sports Olympiad, children compete in events such as basketball and field events in the summer. Each November, the teams face off in academic challenges such as Math Relay, World Geography, and construction games at Harvard's Gutman Library. The results have been very encouraging. The Sports Olympiad will celebrate its 18th anniversary this August, with 12 years this November for the Academic version.

"In addition to the Olympiads, we started an Honor Roll Club, and its members are recognized in the site newsletter and honored at special events attended by kids from all over Massachusetts and Rhode Island. It's very exciting, and other local companies are starting to replicate it.

"I personally believe that HUD and the state housing finance agencies have an untapped national resource in these kids," Kargman said. "If they can get the funding to improve their quality of life, the sky's the limit to what they can dream and accomplish." **NN**



Commitment of a Lifetime

TO HELP PAY THE COSTS TO attend university Johrita Solari got her first job as an onsite manager. She and her husband, Bruce, whom she met at the University of California-Santa Barbara, “never knew we’d ever go into this line of work” as a profession, she said.

But Solari became an onsite property manager, first for her uncle in Los Angeles for about a year, and then with another property management company. It took 16 years, but she eventually became vice president of the company, and her husband became president. Then, in 1987, they started Solari Enterprises, and opened the door to fee management in 1993.

The company has been on a roll for

What Solari likes about the property management business is helping people, and the fact that “it changes all the time.”

more than 30 years. Solari Enterprises, Inc. is a full service property management organization whose portfolio includes multifamily housing for families, seniors, special needs, single room occupancy, a business park and commercial properties throughout California. Services extend from the development planning, construction or rehabilitation stages, through lease-up and into the on-going management operations of the development.

It’s also a family business, with daughters Gianna and Tressa on staff. Gianna joined the company in 1993, is the Vice President/COO and currently serves on the board of NAHMA. Tressa joined the company in 2001 and is the Resident Service Coordinator.

MOTIVATED BY A DESIRE TO HELP

What Solari likes about the property management business is helping people, and the fact that “it changes all the time.” “I liken it to medicine: you can’t be the old country doctor forever, and it’s the same with property management. You need to be on the cutting edge.”

Solari became involved in the very first AHMA, in Southern California, about two years after it was started. She got involved “in everything there is to do with it: the education, the governance—we even played the role of executive director for awhile when there wasn’t one.” After many years of service, she was



and procedures on day-to-day management of assisted housing.

STRENGTH IN NUMBERS

A second organization, the National Advisory Council, which was composed primarily of property owners, was doing more

work at the national level with policy-makers, legislators and others. The two organizations realized “we needed one another,” Solari said.

“Considering what it could have been, bringing the two organizations together really was smooth,” she said. “There were a few hurdles to get over, a few issues to be ironed out, but we all knew what was best for the industry and we had to work it out. There was give and take on both sides.” When the Federation and the Advisory Council merged to form NAHMA, she sat on its first board of directors.

“One great thing about NAHMA is that we get to know the players of a previous administration that come forward in the next administration. Every time there was a new administration, there was a restructuring at HUD.”

Solari believes there is no other organization like NAHMA. “Our members are totally committed to the industry, and involved. It is not a staff driven organization, which is really rare. The membership can change the course of how things are done. People truly work the committee structure; NAHMA members created the certification programs then put them out there and educate people.”

“The commitments people make are just staggering.” **NN**

given the AHMA Pacific-Southwest’s highest honor, the Clive Graham Award. She also holds a lifetime director emeritus position.

Solari was instrumental in merging the two organizations that became NAHMA (see related article on page 25). She was a founding member and the first president of the National Federation of AHMAs, which a group of AHMA leaders created in Chicago over a weekend in 1987.

The Federation began the AHMA Drug-Free Kid calendar contest, which NAHMA continued and which is now in its 23rd year. Federation members worked hard to form partnerships with local HUD offices and to educate regulators and others about the impact of rules

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.

APRIL

20
RI Agency Breakfast Meeting
RI
Julie Kelliher, NEAHMA
(781) 380-4344

20-22
FL State Meeting
Jacksonville, FL
Daria Jakubowski, SAHMA
(800) 745-4088

21
MA Monthly Meeting
MA
Julie Kelliher, NEAHMA
(781) 380-4344

**Manager's Roundtable/
MOR Prep.**
Phoenix, AZ
Debbie Hawkins, AHMA-PSW
(866) 698-2462

22
CT Monthly Meeting
CT
Julie Kelliher, NEAHMA
(781) 380-4344

**Manager's Roundtable/MOR
Prep.**
Tucson, AZ
Debbie Hawkins, AHMA-PSW
(866) 698-2462

Manager's Roundtable
Long Beach, CA
Debbie Hawkins, AHMA-PSW
(866) 698-2462

**ME/NH/VT Agency Breakfast
Meeting**
MA
Julie Kelliher, NEAHMA
(781) 380-4344

26
Fair Housing
PA
Chuck Scalise, PAHMA
cscalise@hands-erie.org

28
FHC
The Desmond Great Valley Hotel
and Conference Center
Malvern, PA
Gerri Aman, PennDel AHMA
856-786-2183

MAY

5
**How to Deal with Multiple
Subsidies**
MA
Julie Kelliher, NEAHMA
(781) 380-4344

**12th Annual JAHMA
Foundation Golf Outing**
Atlantic City Country Club
Northfield, NJ
JoAnn McKay, JAHMA
856-786-9590

6-7
**JAHMA Spring Management
Event**
Seaview, A Dolce Hotel
Absecon, NJ
JoAnn McKay, JAHMA
856-786-9590

11
**Financial Management/
Budget Preparation**
RI
Julie Kelliher, NEAHMA
(781) 380-4344

11-13
CPO
New Carrollton, TX
Roy Cozart, SWAHMA
(210)-822-5852

12
**NAHMA Drug Free Posters
Due to NEAHMA**
MA
Julie Kelliher, NEAHMA
(781) 380-4344

12-14
TN State Meeting
Murfreesboro, TN
Daria Jakubowski, SAHMA
(800) 745-4088

**Oregon AHMA Spring
Conference**
Eugene, OR
Maggie Meikle, Oregon AHMA
503-357-7140

13
CT Agency Breakfast Meeting
CT
Julie Kelliher, NEAHMA
(781) 380-4344

16-18
AHMA-PSW Annual Seminar
Los Angeles, CA
Debbie Hawkins, AHMA-PSW
(866) 698-2462

18-20
**Kentucky MF Housing
Conference**
Louisville, KY
Betsy Smith, SAHMA
(800) 745-4088

**Certified Professional of
Occupancy (CPO)**
RI
Julie Kelliher, NEAHMA
(781) 380-4344

19
**Financial Management/
Budget Preparation**
MA
Julie Kelliher, NEAHMA
(781) 380-4344

20
SHCC Update and MORs
TX
Michael Alexander, AHMA ET
(713) 988-4426

Tax Credit Basics
PA
Chuck Scalise, PAHMA
cscalise@hands-erie.org

21
Fair Housing Refresher
Grants Pass, OR
Maggie Meikle, Oregon AHMA
503-357-7140

24-26
CPO
Sacramento, CA
Paul Cummings, AHMA NCNH
(510)-452-2462

25-27
North Carolina State Meeting
Greensboro, NC
Daria Jakubowski, SAHMA
(800) 745-4088

JUNE

7-9
Puerto Rico Conference
San Juan, PR
Daria Jakubowski, SAHMA
(800) 745-4088

8
LIHTC & Section 8 Income
MA
Julie Kelliher, NEAHMA
(781) 380-4344

9
MA Agency Breakfast
MA
Julie Kelliher, NEAHMA
(781) 380-4344

10
FHC
East Windsor, NJ
JoAnn McKay, JAHMA
856-786-9590

17
Occupancy Course III
TX
Michael Alexander, AHMA ET
(713) 988-4426

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

22
RI Monthly Meeting
RI
Julie Kelliher, NEAHMA
(781) 380-4344

23
Fair Housing Course (FHC)
RI
Julie Kelliher, NEAHMA
(781) 380-4344

25
Special Claims Class
Salem, OR
Maggie Meikle, Oregon AHMA
503-357-7140

JULY

7
Basic Occupancy
MA
Julie Kelliher, NEAHMA
(781) 380-4344

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.

13
Industry Changes/Hot Issues
Boston, MA
Julie Kelliher, NEAHMA
(781) 380-4344

14
Assets 101/201
Worcester, MA
Julie Kelliher, NEAHMA
(781) 380-4344

15
**Risk Management/Site
Emergency Preparedness**
TX
Michael Alexander, AHMA ET
(713) 988-4426

16
MOR Refresher
Salem, OR
Maggie Meikle, Oregon AHMA
503-357-7140

20
Bay Queen Cruise
Bristol, RI
Julie Kelliher, NEAHMA
(781) 380-4344

28
Kids Day Event
MA
Julie Kelliher, NEAHMA
(781) 380-4344

AUGUST

4
LIHTC File Audit
Worcester, MA
Julie Kelliher, NEAHMA
(781) 380-4344

10-12
**Certified Professional of
Occupancy (CPO)**
North Shore, MA
Julie Kelliher, NEAHMA
(781) 380-4344

17
Basic Tax Credit
Worcester, MA
Julie Kelliher, NEAHMA (781)
380-4344

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

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

Occupancy Course IV
TX
Michael Alexander, AHMA ET
(713) 988-4426

23-25
SAHMA Regional Conference
Atlanta, GA
Daria Jakubowski, SAHMA
(800) 745-4088

24
RI Monthly Meeting
RI
Julie Kelliher, NEAHMA
(781) 380-4344

25
**COQ Submissions Due to
NEAHMA**
MA
Julie Kelliher, NEAHMA
(781) 380-4344

SEPTEMBER

7-8
**SHCM 1-1/2 Day Prep
SHCM Exam**
RI
Julie Kelliher, NEAHMA
(781) 380-4344

9
Industry Changes/Hot Issues
MA
Julie Kelliher, NEAHMA
(781) 380-4344

14-15
**SHCM 1-1/2 Day Prep
SHCM Exam**
North Shore, MA
Julie Kelliher, NEAHMA
(781) 380-4344

16
Legal Update
TX
Michael Alexander, AHMA ET
(713) 988-4426

22
**Allowances and Deductions
101/201**
Worcester, MA
Julie Kelliher, NEAHMA
(781) 380-4344

24
**NAHP of the Year Submissions
Due to NEAHMA**
MA
Julie Kelliher, NEAHMA
(781) 380-4344

OCTOBER

6
Determining Income 101/201
Worcester, MA
Julie Kelliher, NEAHMA
(781) 380-4344

12-13
**SHCM 1-1/2 Day Prep
SHCM Exam**
Springfield, MA
Julie Kelliher, NEAHMA
(781) 380-4344

14-15
Fall Conference
PA
Chuck Scalise, PAHMA
cscalise@hands-erie.org

21
Occupancy Class V
TX
Michael Alexander, AHMA ET
(713) 988-4426

28
**NEAHMA Annual Conference
& Trade Show**
MA
Julie Kelliher, NEAHMA
(781) 380-4344

NOVEMBER

9
**Senior Level Tax Credit CEU
Workshop**
Boston, MA
Julie Kelliher, NEAHMA
(781) 380-4344

11
Fair Housing Course (FHC)
North Shore, MA
Julie Kelliher, NEAHMA
(781) 380-4344

16
RI Monthly Meeting
RI
Julie Kelliher, NEAHMA
(781) 380-4344

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

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

Management Training
TX
Michael Alexander, AHMA ET
(713) 988-4426

DECEMBER

7
RI Holiday Meeting
RI
Julie Kelliher, NEAHMA
(781) 380-4344

9
CT Holiday Meeting
CT
Julie Kelliher, NEAHMA
(781) 380-4344

15
MA Holiday Meeting
MA
Julie Kelliher, NEAHMA
(781) 380-4344

16
Associate Member Program
TX
Michael Alexander, AHMA ET
(713) 988-4426



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2010

Training Schedule

CALIFORNIA

San Francisco

January 19

San Diego

February 16

Los Angeles

March 23

WASHINGTON

Seattle

April 13

IDAHO

Boise

May 18

OREGON

Salem

June 22

UTAH

Salt Lake City

July 20

ALASKA

Anchorage

August 24

NEBRASKA

Omaha

September 21

NEVADA

Reno

October 19

HAWAII

Honolulu

November 16

Special thanks to our members and AHMAs who have supported our mission over the past 20 years

PROTECTING THE INTERESTS OF AFFORDABLE HOUSING PROPERTY MANAGERS AND OWNERS

thelastword

BY DAN MURRAY, NAHP-e



Recent Conference a Real Boost

SOMETIMES THE DAY-TO-DAY grind can really get to you, even in a job you love. That's why it's so rejuvenating to get together with friends and colleagues, old and new, from all around the country, who care about the same things you do.

Our annual March meeting was once again an exciting and productive affair. There were many highlights, but one of the main ones for me was the presentation by Carol Galante, Deputy Secretary of HUD, of the Communities of Quality® Awards. By her presence and in her gracious way, Ms. Galante became a celebrant with us of all that is good about our industry: the way we care for our residents who are elderly or have special needs; how successful we can be at turning around a property so that a neighborhood eyesore becomes a community asset; and how the way we manage a property benefits the families who live there.

The COQ Awards Luncheon is always a great event, because it includes all levels of staff from our winning properties. People are really proud of what they do, and the smiles on the

faces of maintenance supervisors, senior managers, owners and residents as they stood for the picture-taking was truly heartwarming.

Another highlight for me was being able to give the President's Award, on the occasion of our 20th anniversary, to the leaders of NAHMA and the AHMAs who have contributed so much to our development as a dynamic, vibrant and highly respected go-to organization.

It was also a real honor to present an award to one of the pioneers in this industry: our Industry Statesman, Bill Kargman (who is profiled on page 35). The rest of our Industry Awards ceremony was a literal parade of accomplishment, by individuals such as Karen Newsome (winner of our Industry Achievement Award), and other individuals, partners, companies and AHMAs, who are acknowledged in the article on page 20.

By the time the three-day event was done, it was abundantly clear that NAHMA is growing and expanding. Affordable housing is here to stay; everybody realizes the need. There is a lot of

action to follow and be engaged in, including in proposed legislation for affordable housing. As NAHMA continues to be recognized for its expertise, our involvement will only expand.

This expansion is already apparent in our planned summer meeting, which we are hosting in conjunction with the National Apartment Association's annual meeting. NAA is the largest trade association in the rental housing business, and we have been asked by them to present four programs on affordable housing. Clearly we have been given the mantle to carry for the owners and managers of affordable housing.

By our 25th anniversary, I predict that we will have even greater accomplishments to celebrate. I invite you to join us in June at our summer meeting. For registration details, go to NAHMA's website at www.nahma.org. You will not regret having taken advantage of this opportunity to experience all that is good about what we do. **NN**

Dan Murray is President of Corcoran Jenkinson, Inc. and President of NAHMA.