

# NAHMA News

PROTECTING THE INTERESTS OF AFFORDABLE HOUSING PROPERTY MANAGERS AND OWNERS

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## Congressional Committees Advance Funding Bills for HUD, USDA

In May and June, the Congressional Appropriations committees for the U.S. House and Senate completed work on their fiscal year (FY) 2019 appropriations bills for Transportation, Housing, and Urban Development (THUD) and the Department of Agriculture (USDA), including key affordable housing programs. Voting on the bills was expected to take place in late July. However, final passage of FY 2019 spending bills will likely not take place until after November's mid-term elections.

### HOUSE FY 2019 FUNDING BILLS

In early May, appropriators in the House voted to advance funding bills for both the Department of Housing and Urban Development (HUD) and the USDA's Rural Development (RD) programs, maintaining the increases provided in FY 2018, but providing no significant increases for the fiscal year beginning in October. However, the House rejected the administration's proposed budget cuts and rent reforms for FY 2019.

The House Appropriations Committee voted to advance the FY 2019 THUD funding bill. Appropriations Committee members said the newly proposed funding levels for Project-Based Rental Assistance—\$11.7 billion compared with \$11.5 billion in FY 2018—and the Housing Choice Voucher program—\$22.5 billion compared with \$22 billion in FY 2018—will be sufficient to renew contracts; however, the levels fall short of NAHMA's full funding numbers and leave room under the overall budget caps for additional FY 2019 funding. In addition, the HUD funding bill proposes no new construction funding for Section 202 Senior Housing or Section 811 Housing for Persons with Disabilities, and cuts the HOME Investment Partnership program by \$162 million compared with FY 2018.

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## Take a Role in Shaping Policy for the Industry

NOW THAT WE HAVE REACHED the halfway mark for 2018, it is a good time to make sure you are taking full advantage of your NAHMA membership.

The biggest advantage to NAHMA membership is the opportunity to take a direct role in shaping national public policy for the affordable housing industry.

While NAHMA staff advocates on Capitol Hill, members are encouraged to advocate on the homefront by posting to social media, sending letters or meeting with their elected officials. NAHMA can provide you with assistance in terms of data and talking points. Also, don't forget about the NAHMA Advocacy Challenge running through Sept. 3.

NAHMA members also have an important career advantage through the association's education and designation programs, which are dedicated to recognizing and promoting achievement of the highest possible professional standards in affordable housing management. A recognized source for quality educational programs, NAHMA offers nine credentials to enhance your career, including the award-winning SHCM credential program.

Members have access to industry insider information through NAHMA communications such as *NAHMA News*, *NAHMA Analysis* and the *Washington Insider*. For those with NAHMA credentials, you can add *NAHP Update* and *SHCM Newsbriefs* to the list. All members receive regular press releases and industry updates delivered to their inboxes.

Finally with your membership, you have in-person networking opportunities through the association's two annual meetings, the Educational Foundation gala and participation on any of NAHMA's 16 committees.

You also receive the yearly Membership Directory, so you can reach out to colleagues you may have missed at one of the meetings, as well as the latest Congressional Directory.

Do you know someone who could benefit from membership? Let us know.

## SEND US YOUR CHOICES

Nominations for NAHMA's annual Industry Awards are due Nov. 13. Please send me an email explaining which award you are nominating the person for and why you think the person should be the winner, including specific accomplishments supporting your recommendation.

### NAHMA Industry Statesman

**Award:** Given annually to a NAHMA Executive Council member who is either in or nearing retirement, in recognition of many years of outstanding leadership and service to the association.

### NAHMA Industry Achievement

**Award:** Given annually to a NAHMA Executive Council member who has contributed significant or noteworthy leadership or contribution to NAHMA within the past year or two.

**Industry Partner Award:** Given annually to a government agency or other affordable housing organizational partner that has made a significant contribution to the cause of affordable housing in the previous year.

The awards will be presented at the annual NAHMA Industry Awards Reception, in conjunction with NAHMA's Biannual Top Issues in Affordable Housing spring 2019 conference, March 3-5, 2019, in Washington, D.C. **NN**

*Kris Cook, CAE, is executive director of NAHMA.*

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Separately, the full House Appropriations Committee advanced FY 2019 Rural Development funding legislation in a markup focused mainly on agriculture and trade. The funding levels for Section 521 (\$1.331 billion), Section 515 (\$40 million), Section 542 (\$28 million), and Section 538 (\$230 million) all remain nearly the same from the FY 2018 enacted levels.

SENATE FY 2019 FUNDING BILLS

In June, the Senate Appropriations Committee voted to advance its FY 2019 THUD funding bill, maintaining the increases provided in FY 2018. The bill provides \$44.5 billion in funding for HUD programs, an increase of \$1.8 billion above the FY 2018 enacted level and rejects the administration’s FY 2019 budget request, which included program cuts and proposed rent reforms.

Sen. Susan Collins (R-Maine), chairman of the Senate Transportation, Housing and Urban Development Appropriations Subcommittee, said, “This bipartisan bill is the product of considerable negotiation and compro-

HUD Programs	FY 2018 Enacted	FY 2019 Administration's Proposed Budget	FY 2019 House Proposed Budget	FY 2019 Senate Proposed Budget
Tenant-Based Rental Assistance	\$22,015	\$20,550	\$22,477	\$22,800
Contract Renewals	\$19,600	\$18,749	\$20,107	\$20,529
Project-based Rental Assistance	\$11,515	\$11,147	\$11,747	\$11,700
Housing for the Elderly (Section 202)	\$678	\$601	\$632	\$678
Capital Advance	\$105	\$0	\$0	\$51
Service Coordinators	\$90	\$90	\$90	\$90
Supportive Housing for Persons with Disabilities (Section 811)	\$230	\$140	\$154	\$154
Capital Advance	\$83	\$0	\$0	\$0
Community Development Fund	\$3,365	\$0	\$3,365	\$3,365
HOME	\$1,362	\$0	\$1,200	\$1,362

FIGURES EXPRESSED IN MILLIONS

mise. I worked closely with Ranking Member [Jack] Reed [D-RI] in drafting this bill .... The funding in this legislation will allow us to invest in our nation’s infrastructure, while fully funding the renewal of housing assistance for low-income seniors and other vulnerable populations, such as teenagers and veterans who are homeless.”

The Senate’s proposed funding levels for Project-Based Rental Assistance is \$11.7 billion compared with \$11.5 billion in FY 2018, and the Housing Choice Voucher program would receive \$22.8 billion compared with \$22 billion in FY 2018. In addition, the bill provides \$678 million to the Section

continued on page 6

Mixed Results for Rescission Package

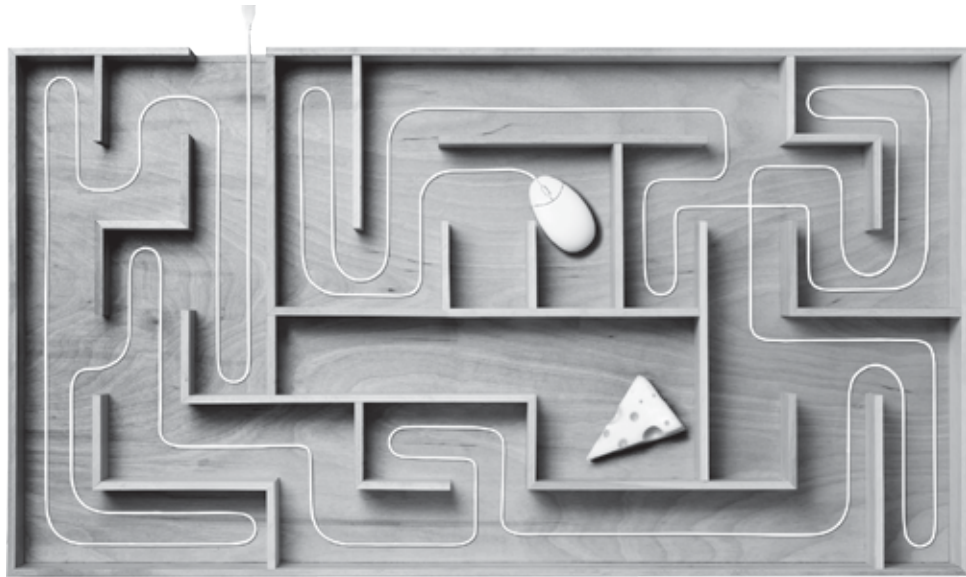
ON JUNE 20, THE SENATE REJECTED the Trump administration’s proposal to recapture \$15 billion in funds previously approved by Congress, including some funds for affordable housing and community development. The measure failed by a vote of 48-50, with Sens. Susan Collins (R-ME) and Richard Burr (R-NC) voting with their Democratic colleagues to stall the bill. The House had passed the Spending Cuts to Expired and Unnecessary Programs Act (H.R.3) on June 7 by a vote of 210-206 after the White House released it in early May.

NAHMA opposed the rescission effort, which would have rolled back \$40 million in carryover balances from the Department of Agriculture’s Section 521 Rural Rental Assistance program and \$151 million from the Capital Magnet Fund. Additionally, the bill would have rescinded \$40 million from the Department of Housing and Urban Development’s Public Housing Capital Fund, most of which was appropriated in Fiscal Year 2017 to cover capital repair needs, such as Rental Assistance Demonstration conversions, physical inspections and grants for the Jobs Plus program. Much of the remaining rescissions were aimed at the Children’s Health Insurance Program.

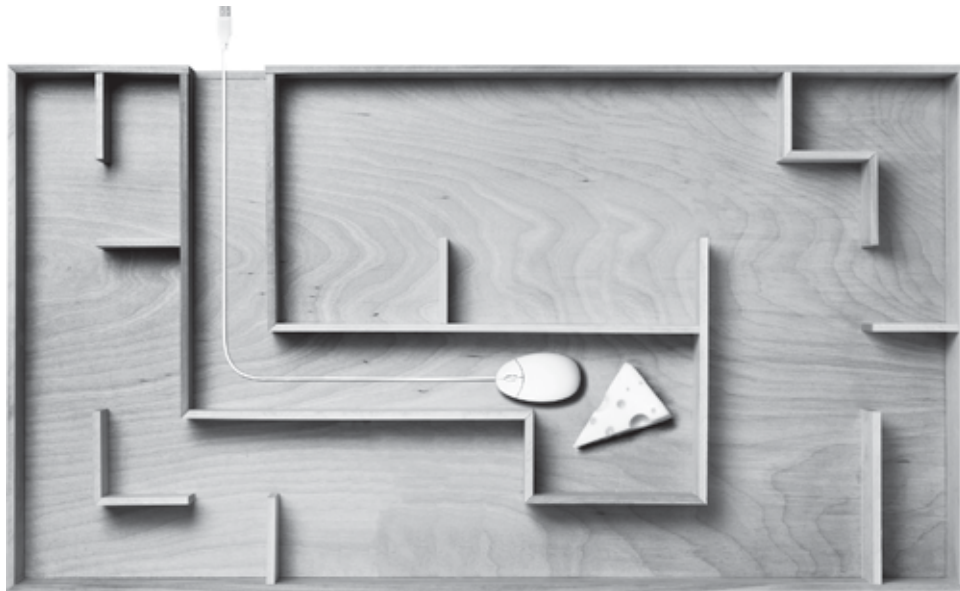
Senate Majority Leader Mitch McConnell (R-KY) defended the bill from the floor saying, “This modest belt-tightening would in no way infringe on the bipartisan spending deal that senators on both sides agreed to earlier this year. This savings package is 100 percent unrelated to that agreement. Totally separate .... It simply pulls back a small amount of unspent funds from a variety of government accounts.”

Sen. Patrick Leahy (D-VT) called the effort “unconscionable.” As ranking member of the Senate Appropriations Committee, Leahy said, “We are voting on a bill today that would claw back billions of dollars from children’s health insurance, affordable housing investments, infrastructure, rural development and innovative energy programs.”

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## CONGRESSIONAL COMMITTEES ADVANCE FUNDING BILLS FOR HUD, USDA, continued from page 4

Rural Development Housing Programs	FY 2018 Enacted	FY 2019 Admin.'s Proposed Budget	FY 2019 House Proposed Budget	FY 2019 Senate Proposed Budget
Section 521 Rental Assistance	\$1,345	\$1,331	\$1,331	\$1,331
Section 515 Rental Housing Direct Loans	\$40	\$0	\$40	\$40
Multifamily Revitalization	\$47	\$0	\$53	\$50
Preservation Demonstration	\$22	\$0	\$25	\$24
Section 542 Rural Housing Vouchers	\$25	\$20*	\$28	\$26
Section 538 Loan Guarantee	\$230	\$250	\$230	\$230

FIGURES EXPRESSED IN MILLIONS

\* MOVED TO RA ACCOUNT

202 Housing for the Elderly program, equal to the FY 2018 funding, with \$51 million set aside for new units and \$10 million for home modification grants to help low-income seniors age in place. The bill provides \$154 million for Section 811 Housing for Persons with Disabilities, which is equal to the House version and \$75 million less than FY 2018 funding. The funding level for the HOME Investment Partnership program stays at \$1.362 billion and \$3.3 billion is provided for Community Development Block Grants; both amounts are the same level enacted in FY 2018.

Similar to THUD, the Senate Appropriations Committee approved a FY 2019 bill to fund the USDA's RD programs. The bill rejects the administration's proposed cuts to the agency and adds funding for rural infrastructure investments. However, the RD funding levels fall slightly below those proposed by the House. The Senate bill maintains funding levels for Section 515 Rental Housing Direct Loans at \$40 million and Section 538 Loan Guarantee at \$230 million. The Section 521 Rental Assistance receives a slight decrease. The Multifamily Revi-

talization Program would see a slight increase.

### OUTLOOK

Due to the August recess and upcoming midterm elections, NAHMA is not optimistic that Congress will pass the HUD and USDA FY 2019 funding bills this summer. Congress will likely have to pass a short-term continuing resolution, which will provide funding at a rate based on the previous year's funding, to finance the government when the current fiscal year ends on Sept. 30. Spending negotiations will either conclude during the lame-duck session at the end of the year or go into the next Congress, based on the outcome of the midterm elections. NAHMA strongly supports the current FY 2019 funding levels set by the House and Senate, and applauds members of Congress for rejecting the harmful cuts and rent reforms proposed in the administration's FY 2019 budget request.

NAHMA asks members to continue to advocate for adequate funding for FY 2019. NAHMA will keep members up to date as funding negotiations unfold throughout the summer and early fall. **NN**

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# June Was a Hot Month for Housing In Congress

IN ADDITION TO HOT TEMPERATURES, June provided a lot of heat for affordable housing in Congress. The House of Representatives was particularly engaged on a range of housing matters, including homeless youth, disaster recovery and substance abuse. The Department of Housing and Urban Development (HUD) Secretary Ben Carson also participated in an oversight hearing. The following summary provides updates on the issues related to affordable housing that were before Congress in June.

## HOMELESSNESS YOUTH ASSISTANCE

The House Financial Services Committee considered the Homeless Children and Youth Act (H.R.1511), a bipartisan bill to improve access to HUD's housing assistance services. The bill, introduced by Reps. Steve Stivers (R-OH) and David Loebsack (D-IA), would amend the McKinney-Vento Homeless Assistance Act to reduce barriers to assistance services designed to meet the needs of homeless children, youth and families. Specifically, H.R.1511 aligns the HUD definition for homelessness with the definition used to verify eligibility for other federal programs, such as the National School Lunch Program, expanding access to the programs and alleviating confusion between agencies.

## DISASTER RECOVERY

The House Financial Services Committee advanced a bill to permanently authorize the disaster recovery program under the Community Development Block Grant (DCBG-DR). The Reforming Disaster Recovery Act of 2018 (H.R.4557) was introduced by Rep.

Ann Wagner (R-MO) and passed the committee in a bipartisan 53-3 vote.

Because the CDBG-DR program is not currently codified into law, HUD uses the *Federal Register* process to issue guidance and requirements for the program in response to a disaster. Permanently authorizing the program would allow disaster recovery funds to be used more efficiently, while also increasing transparency in the program. The bill also includes a number of provisions aimed at disaster mitigation, such as requirements for structures built in special flood hazards areas, and a measure to recapture unused recovery funds. Finally, the bill requires a one-for-one replacement of federally assisted housing affected by disasters, and prevents HUD from reducing the percentage of funding that benefits low- and moderate-income households below the 70 percent standard.

## VOUCHER FOR SUBSTANCE ABUSE RECOVERY

The House passed a bill to set aside housing vouchers for transitional housing for substance abuse recovery. The Transitional Housing for Recovery in Viable Environments Demonstration Program (THRIVE) Act (H.R.5735) was introduced by Rep. Andy Barr (R-KY) and passed the Financial Services Committee on a mostly partisan basis before passing the House by a vote of 230-173.

If passed by the Senate and signed into law, H.R.5735, would establish a five-year demonstration program to set aside the lesser of 10,000 vouchers or .05 percent of all vouchers in order to provide housing assistance for 12-24 months to individuals recovering from substance abuse. Only nonprofits providing drug treatment and

services would be eligible to administer the vouchers, not public housing authorities. The bill would also require providers to set time limits for the transitional housing.

While an earlier amendment to provide new funding for the demonstration program failed in committee, Barr urged his colleagues to support the bill and ask for funding later through the appropriations process.

## HUD SECRETARY CARSON TESTIFIES

Carson testified before the full House Financial Services Committee in a hearing titled, Oversight of the Department of Housing and Urban Development. Carson's testimony covered a range of topics, including proposed funding cuts and rent reforms, lead and mold remediation efforts, disaster recovery, homelessness and housing finance.

Carson answered pointed questions from lawmakers on recent fair housing developments in the agency, such as withdrawing the Affirmatively Furthering Fair Housing assessment tool for local governments and soliciting comments on the implementation of the Disparate Impact final rule.

When asked about rent reform for rental assistance programs, the secretary called HUD's recent proposal, "one of the most consequential policy reforms for which we are seeking the committee's support," contradicting an earlier statement that the agency would no longer pursue their rent reform plan to increase minimum rents and change rent-setting calculations across rental assistance programs, among other reforms. **NN**

Larry Keys Jr. is director of government affairs for NAHMA.

# Housing Tax Credit Investments: Investment and Operational Performance

Editor's Note: *The following is the executive summary from the report, Housing Tax Credit Investments: Investment and Operational Performance, which can be read in its entirety from new Tax Credits Investments Services page on the CohnReznick website, [www.cohnreznick.com](http://www.cohnreznick.com).*

THE FEDERAL LOW-INCOME HOUSE Tax Credit (housing tax credit) is the most important program in the United States for creating and rehabilitating affordable housing. Every year, the housing tax credit program finances the construction or rehabilitation of approximately 100,000 units of affordable housing that support roughly 96,000 jobs and generate \$3.5 billion in tax revenue.<sup>1</sup> No other local, state or federal program comes close.

Through its 30-plus year history, the affordable housing built with housing tax credits has forged an impressive record of strong financial performance. The overwhelming majority of properties financed with housing tax credits are fully occupied, with strong net cash flows and foreclosure rates that are incredibly low.

Disproving some who may view housing credit properties as a drag on a local housing market, a 2016 Trulia report<sup>2</sup> focusing on the nation's 20 least affordable housing markets determined that housing credit properties had no negative effects on nearby home values. Indeed, the estimated one-year impact of building 100 housing tax credit units included: \$7.9 million in additional local income, \$827,000 in additional tax and other revenue for local governments, and 122 additional local jobs.

Beyond financial performance and the positive impact to local communities, housing credit properties first and

foremost are safe and healthy housing options for the nation's most at-risk populations, the working poor and elderly.

CohnReznick produces the industry track record by surveying the owners of properties financed with housing tax credit properties. The latest research shows that housing tax credit properties are operating better than in any period during the program's history. In 2016, the surveyed portfolio, which consisted of approximately 23,000 properties, reported, on a median basis, 97.9 percent physical occupancy rate, 1.40 debt coverage ratio, and \$688 per-unit per annum net cash flow (cash flow available after paying for expenses, mandatory debt services, and required replacement reserve contributions).

Performance continues to be strong for many reasons, primarily:

- The growing need for affordable housing supports high rates of occupancy for housing tax credit properties and strong operating performance. There are 11.2 million severely cost-burdened renter households (i.e., those who spend more than 50 percent of their income on housing), which is projected to increase to more than 13 million by 2025.<sup>3</sup> Compounding the problem, there is an estimated national shortage of 7.4 million affordable rental homes for extremely low-income households.<sup>4</sup> Not surprisingly, virtually all housing tax credit properties are fully occupied

barring normal turnovers, many with lengthy waiting lists. From an operating performance perspective, it is not uncommon to see a favorable variance between the underwritten vacancy assumptions and actual vacancy. The better than projected performance bolsters rental revenue and provides a cushion against unexpected operating expense spikes, less than projected rent increases due to stagnant area median income growth, or other factors that could otherwise stress a property's operating performance.

- The unique public-private partnership structure of the housing tax credit program supports a very low rate of foreclosures compared to any other type of real estate. Authorized under the Internal Revenue Code Section 42, the administration of the housing tax credit program resides primarily with the state credit allocating agencies. The real charm of the housing tax credit program, compared to most other federal affordable housing programs, lies in the reliance on sophisticated capital. In addition to underwriting reviews undertaken by the state agencies, housing tax credit developments are underwritten by privately held for-profit and nonprofit lenders and syndicators who acquire, structure and asset manage these investments for institutional investors. Ultimately, the success of housing tax credit investments is collectively "guaranteed" by stakeholders that share common goals.

- CohnReznick's industry experience and interviews with survey respondents allowed us to conclude that the housing tax credit industry has made signifi-

cant strides in improving the quality of underwriting and asset management practices. For example, participants in the CohnReznick study indicated that the availability of benchmarked operating data from their own portfolios, state credit allocation agencies, and industry data providers have allowed them to improve their expense underwriting. The variability between underwritten and actual expenses that typified the first generation of housing credit properties has shrunk significantly, which, in turn, supports the favorable operating performance metrics reported by housing tax credit properties.

Some of these factors may change. Housing tax credit prices adjusted downward at the end of 2016. Long-term interest rates may also eventually rise to be closer to the historical level. Sources of soft financing are also becoming increasingly scarce. Two foundational factors that contribute to the success of the housing tax credit program that don't appear to be changing in the near term are the already high and increasing demand for affordable housing and the solid structure of the housing credit program.

The production power of the housing tax credit program is limited by statutory authorization, among other factors. The result is that housing tax credit production is unable to keep up with the rising demand for affordable housing.

In March 2018, Congress passed an omnibus spending bill, which included two key improvements to the housing credit program. The additions to the bill provide a 12.5 percent increase in housing credit allocation for each of the four years 2018-2022, which would be a significant step toward addressing the rising national demand for affordable housing. The bill also includes

an income averaging provision, which would allow the 60 percent AMI ceiling to apply to the average of all apartments in a project rather than each individual housing credit apartment.

These provisions were crucial additions to offset the impact of the reduced corporate tax rate enacted through the Tax Cuts and Jobs Act, which was projected to reduce tax credit equity. **NN**

*Cindy Fang is the lead partner for CohnReznick's Tax Credit Investment Services (TCIS) group. TCIS provides investment due diligence and other advisory services to institutional investors to help them strategically acquire and manage tax credit investments.*

*This report first appeared on the CohnReznick website in April 2018.*

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## DATA AND RESEARCH THAT SUPPORT AFFORDABLE HOUSING

HUD User is the source for affordable housing research, reports, and data from the U.S. Department of Housing and Urban Development's Office of Policy Development and Research (PD&R). Visit [www.huduser.gov](http://www.huduser.gov) to explore the various resources available on HUD User, including Income Limits and Fair Market Rents for assisted housing units.

To find out about the latest affordable housing data and research releases from PD&R, subscribe to receive email updates and check out *The Edge*, PD&R's online magazine.



## HUD Announces Key Personnel

**IN JUNE, TWO KEY HOUSING positions were filled at the Department of Housing and Urban Development (HUD).**

**After a six-month hold in the Senate, Congress approved Brian Montgomery to serve as assistant secretary for Housing-Federal Housing Commissioner. The 74-23 vote puts Montgomery at the helm of Federal Housing Administration (FHA) for the second time; he previously served as FHA commissioner under former President George W. Bush and assisted with HUD's recovery efforts following Hurricane Katrina.**

**Montgomery also held a handful of other top positions throughout the government and housing industry, including co-founder and partner at the Collingwood Group, deputy assistant to the president and cabinet secretary, board member on the Federal Housing Finance Board, the Housing and Economic Recovery Act of 2008 Oversight Board, and NeighborWorks America Board.**

**Additionally, C. Lamar Seats was named deputy assistant secretary for Multifamily Housing Programs. Seats most recently served as a managing director at M&T Reality Capital Corporation, where he was responsible for mortgage banking activities for commercial properties, including multifamily properties.**

**Seats previously held leadership roles at Enterprise Community Investment Inc. and Reilly Mortgage Group.**

**He replaces Acting Deputy Assistant Secretary Bob Iber who will remain at HUD in a different capacity. NN**

# Dodd-Frank Banking Regulations Overhaul

**O**n June 24, President Donald Trump signed into law a major overhaul of banking regulations that were originally installed after the 2008 financial crisis. The Senate version (S.2155) of the measure was ultimately passed by the House of Representatives June 22 and includes bipartisan provisions. The Senate passed its legislation in March. The House originally passed its version of the bill in May.

The law, known as the Economic Growth, Regulatory Relief, and Consumer Protection Act, makes significant changes to the 2010 Dodd-Frank regulations, including to allow institutions with less than \$10 billion in assets to waive ability-to-repay requirements for certain residential mortgage loans. Other mortgage lending requirements related to appraisals, mortgage data, employment of loan originators, manufactured homes and transaction waiting periods are also loosened. In addition, the law requires credit reporting agencies to provide credit freeze alerts and includes consumer credit provisions related to senior citizens, minors and veterans.

Notably, the measure includes provisions from the bipartisan Family Self-Sufficiency (FSS) Act, which relieves some regulatory burden to administer the FSS program; broadens the supportive services provided to participants; and clarifies expanded access to project-based residents.

The legislation, which was initially introduced by Senate Banking Committee Chair Mike Crapo (R-ID), includes a number of changes to federal mortgage rules, allows state housing finance agencies participating in the Hardest Hit Fund to use their funds for lead and asbestos removal, and permits large banks to count some of their tax-exempt Housing Bond investments as high-quality liquid assets under federal bank liquidity standards.

The legislation also changes fed-

eral mortgage disclosure requirements to make it easier for borrowers to purchase manufactured homes and for appraisers to donate their services to Habitat for Humanity and other nonprofits. It waives federal appraisal requirements for certain lower cost homes in rural areas if the originator is unable to find a certified appraiser after a good faith search.

In addition, it directs the Consumer Financial Protection Bureau (CFPB) to adopt consumer protection standards for Property Assessed Clean Energy loans; removes the three-day advanced period during which lenders must provide borrowers with TILA-RESPA Integrated Mortgage Disclosures (TRID) for instances in which lenders offer borrowers a second credit offer with a lower annual interest rate; expresses the sense of Congress that CFPB should provide better guidance on complying with TRID; and exempts smaller banks from certain obligations under the Home Mortgage Disclosure Act.

The legislation restores the Protecting Tenants at Foreclosure Act, which requires landlords taking over rental properties that have been foreclosed upon to give residents at least 90 days to find new housing before vacating the property. This legislation, which was first enacted in 2009 in the wake of the housing crisis, expired at the end of 2014. HUD's Family Self-Sufficiency program would also be made permanent.

The law requires credit bureaus to take additional steps to protect consumers' credit, with additional protections for veterans. In addition, the legislation increases the asset threshold above which banks must adhere to enhanced prudential standards from \$50 billion to \$250 billion, though the Federal Reserve would have the authority to reapply such standards to banks with assets between \$100 billion and \$250 billion if it deems such action critical to protecting financial markets. **NN**

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# Treasury Releases CRA Modernization Recommendations

In April, the Department of the Treasury released recommendations to modernize the Community Reinvestment Act (CRA). According to the press release, the recommendations were issued to the primary CRA regulators, the Office of the Comptroller of the Currency, the Federal Reserve Board and the Federal Deposit Insurance Corporation. Treasury's objective in developing these recommendations is to better align CRA activity with the needs of the communities that banks serve, while being conducted in a manner consistent with a bank's safety and soundness.

"Forty years since the passage of CRA, it is time for modernization to fit today's banking landscape and community needs," said Treasury Secretary Steven T. Mnuchin in the release. "Our recommendations will improve the effectiveness of CRA by enhancing the assessment and examination process, enhancing the ability of banks to deliver services in the communities they serve while considering technological advances in the financial industry."

In May, a group of 15 Democratic senators drafted a letter addressed to the chairman of the Board of Governors of the Federal Reserve System, the chairman of the Federal Deposit Insurance Corporation and the Comptroller of the Currency, in support of updating the CRA while highlighting areas of concern.

"We understand that your agencies are considering publishing an advance notice of proposed rulemaking that could suggest significant changes to the implementation of the CRA. We hope that you take this opportunity to strengthen the CRA, broaden its applicability to more regions and institutions, and avoid proposals that could undermine the continuing effectiveness of the CRA," the letter said.

According to the April press release, Treasury's recommendations include:

- Updating the definitions of geographic

assessment areas to reflect the changing nature of banking arising from changing technology, customer behavior and other factors;

- Increasing clarity and flexibility of CRA examinations to increase transparency and effectiveness of CRA rating determinations;

- Improving the examination process to increase timeliness of evaluations and increasing accountability for banks' planning of their CRA activity; and

- Incorporating performance incentives to better serve the CRA's intended purpose of encouraging banks to meet the credit and deposit needs of their communities. Treasury's recommendations will incentivize bankers to do more for low- and moderate-income communities, especially in cases where the bank has underperformed in prior assessment periods.

The senators' letter singled out a recommendation concerning bank expansion as troubling.

"One suggestion included in the Treasury memorandum that gives us pause is the recommendation that the other banking regulators adopt two recent Office of the Comptroller of the Currency (OCC) policies: one permits banks to open or acquire branches even if a bank has a 'less than satisfactory' CRA rating, provided that the applicant demonstrate that the expansion benefits the communities it serves, and the other limits the effect illegal or discriminatory credit practices can have on a bank's CRA rating. While we generally support expansions that benefit LMI [low- and moderate-income] communities, we are concerned that permitting expansions for banks with 'less than satisfactory' ratings undermines the only formal compliance mechanism that exists under the CRA: the prospect that the banking regulators will deny those banks' expansion applications."

The letter did conclude on a positive

note: "The recent Treasury memorandum suggests a number of other sensible updates to CRA regulations, such as permitting banking regulators to preclear community development financings as qualifying investments and making those determinations public, and improving the objectivity and comparability of CRA exam performance metrics."

According to the National Housing & Rehabilitation Association, "CRA is often thought of as a driving force behind banks' appetite for Low-Income Housing Tax Credit (LIHTC) investment and lending activity in specific geographic regions, creating higher credit pricing in those regions."

One of the recommendation areas focuses on improving the examination process. That section specifically singles out the LIHTC. The memo said there is a lack of process to determine eligibility prior to making an investment. The memo said because "There is certainty surrounding certain specific categories of qualifying activity, such as single family mortgage loans or Low Income Housing Tax Credit (LIHTC) investments. ... This lack of clarity often leads to the concentration of investments in safe, guaranteed eligible activities, such as LIHTC investments."

The recommendation memo said, "Treasury believes that by expanding the types of loans, investments, and services eligible for CRA credit and clarifying the eligibility criteria, the timeliness of ratings can improve—identified by stakeholders as a key goal of reform. Treasury advocates for leveraging existing regulatory standards for product reporting and definitions of loans and investments to more clearly align CRA with other regulatory procedures."

At this time, it is unclear what impact, if any, this could have on the LIHTC.

To read the memo, visit <https://home.treasury.gov/sites/default/files/2018-04/4-3-18%20CRA%20memo.pdf>. **NN**



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# HUD Launches New Financial Controls

**D**epartment of Housing and Urban Development (HUD) Secretary Ben Carson announced new measures to protect the financial integrity of the agency and correct lax internal processes and controls in March. Carson directed HUD's Chief Financial Officer, Irving Dennis, to design and implement a transformation plan and lead an internal task force to combat waste, fraud and abuse.

In a press release announcing the measures, Carson said the department's current financial controls are outdated: "We simply need to do better. An updated system of internal controls will provide our agency with greater certainty that the dollars we spend are spent in a manner that satisfies all laws and regulations, and most importantly, the American people. We will approach this as any business would by increasing transparency and accountabil-

ity. In the end, we will also support a culture that respects the fact that HUD funds belong to the public."

According to the release, Dennis will institute new processes and controls, empower employees and strengthen compliance and enforcement-related functions at HUD.

"I'm excited to apply a business acumen to a task that is necessary for us as an agency," said Dennis in the release. "These new internal controls and management practices must be embedded into our organization to help prevent misuse and misappropriation of assets. The goal is to create more robust processes and systems of checks and balances to ensure our expenditures not only meet all of our requirements but pass a common sense 'smell test.'"

HUD's new plan will consist of:

■ **Agencywide Governance:** Implementing an agencywide governance structure that allows for more oversight, transparency, monitoring and accountability;

■ **Finance Transformation:** Developing a plan to restore discipline and accountability in the financial and reporting systems across HUD;

■ **Grant Modernization:** Developing a holistic grant modernization plan to improve grant processes and reporting, including improved IT systems; and

■ **Process Improvement:** Promoting a HUD culture focused on documented and repeatable process with a focus on transparency and cost reasonableness.

As part of this effort, HUD's offices of the CFO and the General Counsel are reviewing processes to ensure HUD is within all guidelines and utilizing resources effectively, according to the release. **NN**



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# Industry Speaks Out On Davis-Bacon Wage Issues

**N**AHMA has joined with other industry partners expressing concern over Davis-Bacon wage issues by sending a letter to the secretary of the U.S. Department of Labor. The joint letter states, “The undersigned organizations join in this letter to highlight important and urgent Davis-Bacon Act issues that lenders and developers who work with the U.S. Department of Housing and Urban Development (HUD), specifically the Federal Housing Administration (FHA), are experiencing. The Department of Labor (DOL) is in the best position to address these issues because it plays a key role in how the requirements of the Davis-Bacon Act apply to projects under the FHA multifamily programs. We therefore urge DOL to address expeditiously our concerns regarding unwarranted Davis-Bacon split-wage decisions and disruptive effective dates.”

The letter pointed out HUD’s FHA programs support new construction and substantial rehabilitation of workforce and affordable rental housing and thus are important to the U.S. housing market.

“The number of U.S. renter households has reached 37 percent—a 50-year peak. Consistent with that increase in demand, rental markets are extremely tight. For example, as of 2016, rental vacancy rates had fallen for seven straight years, to 6.9 percent, the lowest level in more than 30 years,” the letter read.

The coalition said two Davis-Bacon issues are having a direct and negative impact on the ability of this FHA program to add new multifamily rental units:

■ **Unwarranted split-wage decisions.** HUD changed its wage determination practices at DOL’s direction, which has resulted in unwarranted and disruptive

multiple or “split wage” rate determinations; and

■ **Disruptive update effective dates.**

Existing DOL rules allow late-in-the-process effective dates for updates to Davis-Bacon wage decisions, which cause 11th hour disruptions and unnecessarily require repetition of key, previously completed processes.

The industry partners said the DOL is well-positioned to address these issues and avert the negative impacts.

As to split-wage decisions, the letter stated: “Historically, DOL and HUD have favored a policy of generally applying of a single wage rate to residential projects, including all incidental

**The coalition said two Davis-Bacon issues are having a direct and negative impact on the ability of this FHA program to add new multifamily rental units: unwarranted split-wage decisions and disruptive update effective dates.**

construction. Where a multiple wage rate decision might be appropriate for a residential project, they generally have looked to 20 percent or more of the total project cost as a rough guide to whether it might warrant a separate wage decision.

“In a reversal of that prior policy, under DOL direction, HUD Headquarters, Office of Davis-Bacon and Labor Standards (ODBLS), now advocates the application of split-wage decisions to multifamily projects that are four stories in height or less, which typically have been categorized as residential. We also understand that ODBLS instructed field staff to assess projects for character of work and wage determination purposes using a threshold of 20 percent of total project cost and/or a \$1 million absolute cost—and to apply the 20 percent/\$1 million thresholds to the aggregate of any project elements not intrinsically residential rather than to individual items of work.”

The industry said the reversal is significant because the burden of administering multiple wage rate schedules across a single project can be paralyzing to a multifamily construction or rehabilitation project. Additionally, the resulting administrative burden has the potential to make a project infeasible especially after a developer has expended significant amounts of time, effort and funds.

The letter suggested these concerns could be addressed by issuing DOL guidance specifying a single wage rate decision for residential projects that involve incidental construction of less than 20 percent of total project costs.

When it comes to the disruptive effective dates for Davis-Bacon wage determination updates, the industry letter stated, “Davis-Bacon wage determinations are modified from time to time to keep them current and, at times, wage rate increases can be significant (e.g., up 100 to 400 percent). Under current DOL regulations, Davis-Bacon wage decisions for FHA-insured projects ‘lock-in’ on the date the mortgage is initially endorsed (provided that construction commences within 90 days). As a result, unfortunately, an effective date that occurs that late in the process means developers, lenders and HUD must rework the deal on, or close to, the closing date of the insured loan.”

The industry suggestions included revising DOL regulations to effectively lock in applicable wage rates no later than the date of the firm commitment application, and as an interim measure, implementing a streamlined hardship-based waiver process. **NN**

# GAO Studies RHS Data And Preservation

The Government Accountability Office (GAO) recently released a study, “Rural Housing Service: Better Data Controls, Planning, and Additional Options Could Help Preserve Affordable Rental Units” (GAO-18-285). The full study can be read at <https://www.gao.gov/products/GAO-18-285>. Here are the highlights provided by the GAO’s summary.

## WHY GAO DID THIS STUDY

Under its rural housing program, U.S. Department of Agriculture’s Rural Housing Service (RHS) provides mortgages and rental assistance to support affordable rental units for low-income residents. When these mortgages reach the end of their terms, or mature, property owners may exit the program; current law does not allow RHS to continue providing rental assistance when such exiting occurs. As

a result, residents in properties with mortgages that are maturing may face rent increases or lose their housing altogether.

GAO was asked to examine how RHS is addressing the risks posed by maturing mortgages. The report examined RHS’ efforts to (1) estimate rural housing property exit dates and (2) preserve the affordability of rural rental properties with maturing mortgages. GAO reviewed RHS mortgage loan data and preservation documents and interviewed RHS officials and industry stakeholders.

## WHAT GAO FOUND

RHS implemented an automated tool to estimate when properties could exit the rural rental housing program, but RHS lacked sufficient controls

to ensure the accuracy, completeness and timeliness of those estimates, according to the GAO. In 2016, RHS developed its Multi-Family Housing Property Preservation Tool to replace a manual process of estimating exit dates. RHS data suggest that a smaller

**Congress should consider granting RHS authority to continue providing rental assistance to residents in properties with maturing mortgages. GAO is also making five recommendations, including that RHS improve data quality and take steps to comprehensively plan for preserving properties with maturing mortgages. According to the GAO summary, RHS agreed with all five of GAO’s recommendations.**

number of properties could exit RHS’ program in the near term, but between 2028 and 2050, over 90 percent of RHS’ properties and units could exit the program, equaling about 13,000 properties with 407,000 units. According to the GAO, RHS lacked controls that would better ensure the accuracy and completeness of these estimated exit dates, such as the verification of key data input at mortgage origination. In addition, RHS had not established a regular process to update the preservation tool’s underlying data due to staff turnover and data system challenges, the GAO concluded. Without these controls, RHS may lack assurance that it has reliable data for calculating exit dates and initiating preservation efforts.

While RHS has taken actions to

address properties with maturing mortgages, such as offering property owners options designed to prevent property exits, about 60 percent of properties with maturing mortgages exited the program between 2014 through 2017, according to the report. The agency’s planning efforts lacked key steps such as (1) establishing preservation goals, (2) developing metrics for evaluating preservation efforts, and (3) analyzing and responding to risks facing its portfolio

such as resource limits and growing capital rehabilitation needs. Without taking these actions, the GAO said, RHS is not well positioned to preserve affordable housing in the near term or when much larger numbers of properties and units could exit the program starting in 2028. Although taking the steps above would help RHS’ preservation efforts, some residents may still be at risk of losing rental assistance when mortgages mature, according to the study. Accordingly, allowing RHS to renew rental assistance after mortgage maturity could protect assisted low-income residents from increased rents or displacement from their units. When the Department of Housing and Urban Development (HUD) faced a similar loss of affordable housing subsidies,

Congress authorized the department in 2011 to continue providing rental assistance at properties after contracts expired.

#### WHAT GAO RECOMMENDS

Congress should consider granting RHS authority to continue providing rental assistance to residents in properties with maturing mortgages. GAO is also making five recommendations, including that RHS improve data quality and take steps to comprehensively plan for preserving properties with maturing mortgages. According to the GAO summary, RHS agreed with all five of GAO's recommendations.

Those agency recommendations include:

1. The RHS administrator should establish additional controls to check the accuracy of all loan information entered into RHS information technology systems, to help ensure complete, accurate and reliable data for estimating rural rental housing property exit dates.
2. The RHS administrator should establish a process to help ensure regular and frequent updates for the preservation tool and its underlying data.
3. The RHS administrator should establish performance goals and measures for its rural rental housing preservation and rehabilitation efforts and report out these outcomes.
4. The RHS administrator should monitor the results of rural rental housing preservation efforts and assess the degree to which those efforts yielded intended outcomes.
5. The RHS administrator should identify, analyze and respond to risks to achieving its preservation goals, including resource and staffing limitations. **NN**

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# NAHMA

# Residents' Talents Blossom

**A**ni Keshishyan, a ninth-grader from Glendale, Calif., has been named the grand prizewinner in NAHMA's annual AHMA Drug-Free Kids poster and art contest. The talented artist's artwork will appear on the cover of NAHMA's 2019 calendar. Ani, 14, also receives an all-expenses-paid trip to Washington, D.C., for NAHMA's Biannual Top Issues in Affordable Housing fall conference, Oct. 21-23, as well as a scholarship of \$2,500 from the NAHMA Educational Foundation.

The poster contest is open to children and elderly residents 55 years or older who live in a community of a NAHMA or a local Affordable Housing Management Association (AHMA) member company, as well as residents with special needs who live in a permanent supportive housing community or Section 811 community of a NAHMA or a local AHMA member company.

The underlying message for the annual contest is always a drug-free theme but NAHMA wanted to open

the door for more avenues of expression, so a subtheme is incorporated into the poster contest. The subtheme for 2018 is Hope Is in Bloom: Nurturing Our Community.

Nearly 5,000 eligible residents participated in the nationwide contest.

**The underlying message for the annual contest is always a drug-free theme but the association wanted to open the door for more avenues of expression, so a subtheme is incorporated into the poster contest.**

Each national winner of the NAHMA contest—regardless of entry category—receives a \$1,000 educational scholarship from the NAHMA Educational Foundation. All winners are also featured as their own month in the 2019 calendar.

Additionally, participants in the annual art contests held by the local AHMAs are eligible to be selected as Regional AHMA Art Contest Honorable Mentions. Those selected for this distinction will have their artwork featured in a special section of the NAHMA 2019 Drug-Free Kids Calendar and receive a \$100 scholarship.

These participants are in addition to those selected as national winners.

The original winning artwork will be auctioned at the Educational Foundation gala, Oct. 22, with the proceeds supporting the foundation's scholarship program.

For the contest, the artwork is

divided into seven categories with winners selected from each of the following: kindergarten-first grade, second-third grades, fourth-sixth grades, seventh-ninth grades, 10th-12th grades, seniors and residents with special needs. Only students are eligible for the grand prize.

Calendars go on sale beginning in September and are available by visiting NAHMA's Online Store at [www.nahma.org](http://www.nahma.org). The cost is \$5.50, which is a Department of Housing and Urban Development and U.S. Department of Agriculture allowable project expense. **NN**

## Sowing the Seeds of Hope

**AHMA OF WASHINGTON INVITES YOU** to the NAHMA Educational Foundation Inspire Gala, A Future of Hope, at the Mansion on O Street, Oct. 22, as they host the annual fundraiser during NAHMA's Biannual Top Issues in Affordable Housing fall conference, Oct. 21-23, in Washington, D.C. The gala serves as the primary public fundraising event for the NAHMA Educational Foundation's scholarship program.

The Mansion on O Street boasts one of the top-10 pastry chefs in the country and has been called a "top-five historic venues to explore in the world," by *Smithsonian* magazine.

Attendees will begin the evening with a cocktail hour and self-guided tours of the Mansion's museum, which features an immersive, tactile experience where visitors will hear rare studio cuts, leaf through manuscripts, touch sculpture and tour through a multitude of architectural styles. After exploring the Mansion, guests will be treated to a sit-down dinner.

The highlight of the evening will be the presentation of the Inspi-

ration Award, which recognizes individuals or organizations for their long-time commitment to the advancement of educational opportunities for those working within the affordable housing industry and the residents they serve. The celebration will be capped off by the annual calendar contest poster auction that also includes bidding opportunities for unique travel and event experiences and jewelry.

Wayne Fox and Jim McGrath will be honored by the NAHMA Educational Foundation as co-recipients of the 2018 Inspiration Award, which recognizes individuals or organizations for their long-time commitment to the advancement of educational opportunities for those working within the affordable housing industry and the residents they serve.

"The recipients of this year's NAHMA Educational Foundation Inspiration Award—Wayne Fox, president, Realty Management Associates and Jim McGrath, chairman, PRD Management—have shown an unwavering commitment to our collective goal of developing the next

## Toasting the Artists

The following lists this year's national program winners, with their ages at time of submission, grade completed in June 2018/contest category, community where they live, management company and name of the AHMA that submitted their artwork:

### GRAND PRIZEWINNER

Ani Keshishyan, 14; ninth grade; The Gardens on Garfield, Glendale, Calif.; Thomas Safran & Associates; AHMA-PSW

### NATIONAL WINNERS

Ruth Behan, 44; senior; HDC Foundation, New Port Richey, Fla.; The Columbia Property Group; SAHMA  
Freya Camp, 7; second grade; The Arroyo at Baker Ranch, Lake Forest, Calif.; Solari Enterprises; AHMA-PSW

Vladik Camp, 9; fourth grade; The Arroyo at Baker Ranch, Lake Forest, Calif.; Solari Enterprises; AHMA-PSW

Aubrey Frimpong, 8; third grade; Stratton Hill Park, Worcester, Mass.; Beacon Communities; NEAHMA

Anthony Keshishyan, 12; seventh grade; The Gardens on Garfield, Glendale, Calif.; Thomas Safran & Associates; AHMA-PSW

Marc Lambert, 65; senior; Hillcrest Elderly Apartments, Cincinnati, Ohio; Benchmark Management Corporation; MAHMA

Jessica Lauzon, 14; ninth grade; Bay Village Apartments, Fall River, Mass.; First Realty Management; NEAHMA

Winnie Mei, 18; 12th grade; Charlesview Residences, Brighton, Mass.; Peabody Properties Inc.; NEAHMA

Jean Mistretta, 75; senior; The Linwood Mill, Whitinsville, Mass.; Peabody Properties Inc.; NEAHMA

Arian Saeidi, 7; first grade; The Arroyo at Baker Ranch, Lake Forest, Calif.; Solari Enterprises; AHMA-PSW

Arya Saeidi, 12; fifth grade; The Arroyo at Baker Ranch, Lake Forest, Calif.; Solari Enterprises; AHMA-PSW

Maura Sawyer, 67; senior; Framingham Green Apartments, Framingham, Mass.; Peabody Properties Inc.; NEAHMA

Scarlet Sykes, 16; 10th grade; Paradise Shadows Apartments; Biltmore Properties; AHMA-PSW

### HONORABLE MENTIONS

Mia Cortez, 11; sixth grade; West End Baptist Manor, San Antonio, Texas; McDougal Properties; SWAHMA

Nyah Degravie, 8; third grade; Houston House Apartments, Victoria, Texas; Prospera Housing Community Services; SWAHMA

Jada Garrett, 9; third grade; Winteringham Village, Toms River, N.J.; The Michaels Organization; JAHMA

Nahzirah Oliver, 8; second grade; Beckett Gardens, Philadelphia, Pa.; Community Reality Management; PennDel AHMA

TyJanique Randolph, 10; fourth grade; Country Place Apartments, Henrico, Va.; Amurcon Realty Company; Mid-Atlantic AHMA

Mariah Schoening, 15; ninth grade; Evergreen Mansions, Altoona, Pa.; Improved Dwellings of Altoona Inc.; PAHMA

Jacob Sedam-Simpson, 14; eighth grade; Featherstone Apartments, Council Bluffs, Iowa; Seldin Company; AHMA IA/NE

Elliot Seymour, 18; 12th grade; Council Groves Apartments, Missoula, Mont.; Tamarack Property Management Company; Rocky AHMA

Patricia Therese Valbuena, 17; 12th grade; Oak Court Apartments, Palo Alto, Calif.; Palo Alto Housing; AHMA-NCH

## NAHMA Foundation Announces 2018 Scholarship Awards

IN EARLY JULY, THE NAHMA Educational Foundation announced the awarding of 64 scholarships, each worth \$2,500, for a total of \$160,000 given in 2018. This year's class of NAHMA scholars come from 17 different states and the District of Columbia, and represents 13 different AHMAs. There were more completed applications submitted this year than at any other time in the history of the program. The competition for awards was extremely rigorous as many highly qualified individuals submitted an application. The experiences and backgrounds of those chosen cover a very wide demographic spectrum.

"The foundation is again very pleased to be able to provide financial assistance to worthy residents for the 12th consecutive year. We are especially proud that for the sixth year in a row we have been able to award in excess of \$135,000 dollars. The foundation board of directors would like to acknowledge the efforts of the scholarship committee that reviewed all of the applications and selected the winners. And, a special thanks goes out to all of our donors and sponsors without whom none of this would be possible," NAHMA Educational Foundation Chairperson Melissa Fish-Crane said when presented with the list of this year's recipients.

The entire list of 2018 NAHMA scholars is being made available to all members and will be printed in the September/October issue of *NAHMA News*. Congratulations to all AHMAs, management companies and multifamily communities across the country that have recipients. Thanks to everyone for again promoting the scholarship program to your residents in 2018. For additional information, please contact Dr. Bruce W. Johnson, NAHMA scholarship program administrator, at [bjohnson@tmo.com](mailto:bjohnson@tmo.com). NN

generation through education. Their combined efforts have made lasting, positive impacts on the steady and continued growth of the foundation. We look forward to building upon Wayne and Jim's shared accomplishments for many years to come and we are truly grateful for their selfless dedication to the success of the program!" Melissa Fish-Crane, NAHMA Educational Foundation chair, said.

In selecting an Inspiration Award winner, the foundation board considers the nominee's accomplishments in promoting education including training and recognition programs for employees, active participation in organizations promoting scholarship and further education, development of regional or national awareness campaigns or programs, and promotion or development of industry certification and training programs.

The Mansion on O Street is located at 2020 O St. in Washington, D.C. NN



Sponsorships and tickets are available for the NAHMA Educational Foundation's annual dinner event in October to raise funding for scholarships for residents of affordable housing. There are a number of sponsorship packages for every budget. For a complete listing of opportunities available, visit Educational Foundation webpage, <https://www.nahma.org/about/educational-foundation/>.

# Show Off Your Successful Community

**D**o you have an award-winning community and want everyone to know it? Then enter the NAHMA 2018 Communities of Quality (COQ) Awards competition. The submission deadline to NAHMA is Nov. 2. The COQ Awards recognize outstanding property management companies providing the highest quality of safe, affordable multifamily rental housing in communities across the country. To download a copy of the COQ Awards brochure, visit the Communities of Quality webpage, under the Awards & Contests tab, at [nahma.org](http://nahma.org).

To enter the awards competition, a property must first apply for and achieve national recognition as a NAHMA Community of Quality with a minimum score of 325 points on its National Recognition application. If a property is not currently a nationally recognized COQ property, the deadline for submitting an entry-level application to a local AHMA for consideration in the national program is Sept. 7.

Detailed application information and submission materials for the NAHMA COQ National Recognition and Awards programs are available on the NAHMA website. New this year, all COQ nation-

ally recognized properties are eligible to highlight their accomplishments through the use of Digital Smart Badges on their properties' websites, enabling web visitors to see, and validate, their COQ national recognition status through a simple "click and verify" process.

"The Communities of Quality Awards honor the achievements of affordable housing providers who make an unprecedented contribution to developing outstanding properties for families of modest means. NAHMA believes it is essential that outstanding affordable properties—and the individuals who establish them—be publicly recognized for providing quality housing that offers a safe, healthy environment," Michael Johnson, SHCM, NAHP-e, NAHMA president, said. "They are communities supplying essential programs and services for their residents. These awards bring valuable well-deserved attention to the important work we are all doing."

The awards competition has five categories:

- Exemplary Family Development
- Exemplary Development for the Elderly
- Exemplary Development for Residents

## IMPORTANT DEADLINES

**Sept. 7:** Entry-level application for the COQ National Recognition Program due to your local AHMA

**Nov. 2:** 2018 COQ Awards competition application due to NAHMA

with Special Needs

- Exemplary Development for Single Room Occupancy Housing
- Outstanding Turnaround of a Troubled Property

Award winners will be notified in early January 2019 and will receive their awards in a special ceremony at the NAHMA 2019 spring meeting, March 3-5, in Washington, D.C.

This year's COQ Awards program is once again jointly sponsored by HD Supply Multifamily Solutions, a leading supplier of maintenance and renovation products to the multihousing industry, and Navigate Affordable Housing Partners, a leading provider of consulting and development services to public housing authorities and the HUD Section 8 project-based contract administrator (PBCA) for Alabama, Connecticut, Mississippi and Virginia.

Entry-level National Recognition applications are due to the property's local AHMA by Sept. 7. COQ Awards entry materials should be submitted directly to NAHMA by Nov. 2, c/o NAHMA COQ Awards Entry, 400 N. Columbus St., Suite 203, Alexandria, VA 22314.

The AHMAs will also be honoring their local NAHMA Communities of Quality program participants. Please check your local AHMA's program details; a directory of the AHMAs is available on the NAHMA website, at <http://www.nahma.org/membership/ahma-directory/>.

For questions about the COQ program and awards, contact Paulette Washington at 703-683-8630, ext. 110 or [pwashington@nahma.org](mailto:pwashington@nahma.org). **NN**

## About the COQ Awards Sponsors

**HD SUPPLY MULTIFAMILY SOLUTIONS:** With 50,000-plus items and free, next-day delivery on most items to most areas, HD Supply Multifamily Solutions is your source for maintenance supplies, fabrication, installation, and renovation services. Our 700-plus account representatives serve more than 130 markets, providing personalized service backed by the strength of a national company. To order call 1-800-431-3000 or at [hdsuppliesolutions.com](http://hdsuppliesolutions.com).

**NAVIGATE AFFORDABLE HOUSING PARTNERS:** Based in Birmingham, Ala., Navigate Affordable Housing Partners is HUD's Section 8 PBCA for Alabama, Mississippi, Virginia and Connecticut. With a strong reputation for customer service and training, Navigate oversees a portfolio of more than 70,000 units. Navigate has a history of developing, owning and managing HUD assisted properties in Alabama and has recently begun providing consulting and development services to public housing authorities. For further information, visit [www.navigatehousing.com](http://www.navigatehousing.com).

# REGULATORY WRAP-UP

## IRS NEWS

**TO ASSIST HOUSING CREDIT ALLOCATING AGENCIES AND OTHER PROGRAM STAKEHOLDERS** navigate the implementation of the new housing credit income averaging option, the National Council of State Housing Agencies (NCSHA) has developed an Income Averaging Q&A with answers to frequently asked questions about it. NCSHA prepared the Q&A with assistance from housing credit program administration experts Tony Freedman of Holland and Knight and Mark Shelburne of Novogradac & Company and additional input from some key Housing Finance Agencies staff. The document will continue to be refined as more information about how to implement income averaging becomes available. To read the Q&A's, visit <https://www.ncsha.org/wp-content/uploads/2018/04/Housing-Credit-Income-Averaging-NCSHA-04-09-2018.pdf>.

**IN MAY, THE IRS PUBLISHED THE 2018 CALENDAR YEAR RESIDENT POPULATION FIGURES**, which are used by state

and local housing credit agencies that allocate low-income housing tax credits and housing bonds to calculate population-based credit ceilings, volume caps, and volume limits. For calendar year 2018, the amount for calculating the credit ceiling is the greater of \$2.70 multiplied by the state population, or \$3,105,000. The amount for calculating the volume cap calendar year 2018 is the greater of \$105 multiplied by the state population, or \$310,710,000. To find the population figures, visit <https://www.nahma.org/wp-content/uploads/2014/04/Notice-2018-45-2018-Calendar-Year-Resident-Population-Figures.pdf>.

**FOLLOWING THE AUTHORIZATION EARLIER THIS YEAR OF THE "INCOME-AVERAGING"** option for minimum set-aside elections in the Low-Income Housing Tax Credit (LIHTC) program, the IRS has published a revised Form 8609. Form 8609 is used for LIHTC allocation and certification and now includes the income-averaging option. The IRS instructions for the form have yet to be updated. To view the revised

form, visit <https://www.irs.gov/forms-pubs/form-8609-low-income-housing-credit-allocation-and-certification>. The new income-averaging option is discussed in *NAHMA* analysis that can be found in the Members Only section of [nahma.org](http://nahma.org).

## ADVOCACY NEWS

**IN JULY, NAHMA LAUNCHED ITS AHMA "WORLD CUP"** Advocacy Challenge which runs through Sept. 3. The goal is to create a friendly regional AHMA competition to earn points and elevate the importance of affordable housing. Participants earn points for the different types of advocacy they conduct. Affordable housing talking points, statistics, and sample posts will be provided to help with advocacy. Winners will be announced at NAHMA's October meeting in Washington, D.C. For more information about the challenge, visit <https://www.nahma.org/grassroots-advocacy/ahma-advocacy-world-cup-challenge/>.

*continued on page 26*

## ADMINISTRATION PROPOSES GOVERNMENT REORGANIZATION

ON JUNE 21, THE TRUMP ADMINISTRATION unveiled a proposal to reorganize the federal government, titled "Delivering Government Solutions in the 21st Century: Reform Plan and Reorganization Recommendations."

"This report outlines the administration's analysis and recommendations for structural realignment of the Executive Branch to better serve the mission, service and stewardship needs of the American people," the report stated. The report recommends consolidations and overhauls related to various federal agencies, including those administering affordable housing, community development and housing finance programs:

- Move the U.S. Department of Agricultural (USDA)'s rural home loan guarantee and rental assistance programs to the Department of Housing and Urban Development (HUD)
- Reform HUD's rent policies using Secretary Ben Carson's

proposed "Making Affordable Housing Work Act"

- Consolidate HUD's headquarter offices
- Move the Community Development Block Grant (CDBG) program to a new "Bureau of Economic Growth," which would administer various grant and technical assistance programs
- Overhaul the housing finance system by privatizing Fannie Mae and Freddie Mac to increase competition and reduce the government's "footprint" in mortgage finance

The more significant recommendations would require legislative approval; NAHMA will keep members up-to-date. To read the full report, visit <https://www.nahma.org/wp-content/uploads/2018/06/Delivering-Government-Solutions-in-the-21st-Century.pdf>. A brief summary is available at <https://www.nahma.org/wp-content/uploads/2018/06/Featured-Government-Reform-Proposals.pdf>.

## HUD NEWS

**HUD PUBLISHED TWO NEW RENTAL ASSISTANCE DEMONSTRATION (RAD) NOTICES** in July. The notices expand the tools participants have to preserve and recapitalize properties, while continuing to ensure the equitable treatment of residents. The first notice, Rental Assistance Demonstration: Implementation of Certain Fiscal Year (FY) 2018 Appropriations Act Provisions (FR-6105-N-01), codifies certain changes to RAD authorized in the FY 2018 Appropriations Act, including providing authority for an increased number of public housing units, and facilitates the final conversion of the remaining properties assisted under the Rent Supplement and Rental Assistance Payment programs. The second notice, Rental Assistance Demonstration (RAD) – Supplemental Guidance (PIH-2018-11, H-2018-05) introduces five innovations that will make the conversion of public housing properties under RAD simpler and more effective, without any new cost to HUD, owners or occupants.

**IN JUNE, HUD RELEASED AN EXPLANATION OF OWNER-ADOPTED PREFERENCES FOR RAD PROPERTIES**, including direction for owners wanting to establish an owner-adopted elderly preference. This message consolidates and highlights current policy located in the RAD Notice (PIH 2012-32 (HA) H-2017-03, REV-3), HUD Handbook 4350.3, REV-1, the Section 8 Statute, the regulation at 24 CFR § 5.655, and Housing Notice 2013-21. The listserv message also makes clear that owners of RAD properties are not permitted to establish an elderly designation (i.e., a set-aside of units for the elderly) because the Section 8 statute, unlike the statute governing public housing, does not authorize designations. However, owners of RAD properties may adopt a selection preference for elderly individuals and/or elderly families, which permits those applicants, to be

selected from the waiting list and housed before other eligible families. Any preference adopted as part of the conversion that will alter the occupancy of the property is subject to an upfront civil rights review during the RAD conversion process. Certain preferences also require approval from HUD's Multifamily Field Office. For more information about RAD, visit <https://www.hudexchange.info/programs/rad/>.

**ON JUNE 14, THE OFFICE OF MULTIFAMILY HOUSING PROGRAMS ISSUED NEW ANSWERS** to a number of recently asked questions on transferring budget authority under Section 8(bb). The new FAQs address questions about 8(bb) transfers in which Owner B requests a 20-year renewal contract of Contract B under Option 2 based on a budget. The revised FAQ document supersedes the FAQs issued on Dec. 19, 2016. Indicated in the revised document are three new FAQs and three previously published FAQs with minor technical revisions. To read the updated FAQs, visit [https://www.nahma.org/wp-content/uploads/2018/06/8bb-FAQs\\_Updated.pdf](https://www.nahma.org/wp-content/uploads/2018/06/8bb-FAQs_Updated.pdf).

**HUD ISSUED A FEDERAL REGISTER NOTICE TO SOLICIT PUBLIC COMMENTS** on amendments to the Fair Housing Disparate Impact Rule, issued in 2013. The advance notice of proposed rulemaking (ANPR) invites public comment on possible amendments to HUD's 2013 final rule implementing the Fair Housing Act's disparate impact standard, as well as the 2016 supplement to HUD's responses to certain insurance industry comments made during the rulemaking. HUD is reviewing the final rule and supplement to determine what changes, if any, are appropriate following the Supreme Court's 2015 ruling in *Texas Department of Housing and Community Affairs v. Inclusive Communities Project, Inc.*, which held that disparate impact claims were cognizable under the Fair Housing Act and discussed

standards for, and the constitutional limitations on, such claims. As HUD conducts its review, it is soliciting public comment on the disparate impact standard set forth in the final rule and supplement, the burden-shifting approach, the relevant definitions, the causation standard, and whether changes to these or other provisions of the rule would be appropriate. HUD is also issuing the ANPR in response to public comments submitted on its May 15, 2017, *Federal Register* document seeking input on ineffective regulations and an Oct. 26, 2017, recommendation from the Department of the Treasury. To read the notice, visit <https://www.nahma.org/wp-content/uploads/2018/06/Disparate-Impact-ANPR.pdf>.

**HUD HAS RELEASED AN UPDATE FROM THE HUD REAL ESTATE ASSESSMENT CENTER (REAC)** regarding a demonstration using moisture meters and infrared cameras to detect the presence of moisture before mold appears. REAC will conduct the one-year demonstration, which began June 18, as a proactive mold preventative or remedial measure. According to REAC's memo, the demonstration will not constitute a change in REAC UPCS inspection protocol and will not slow down the inspection process. Questions may be emailed to [REACQC@hud.gov](mailto:REACQC@hud.gov). The update can also be viewed at [nahma.org](http://nahma.org), under the Agencies Issues tab.

**IN JUNE, HUD SECRETARY BEN CARSON ANNOUNCED THE "PROTECT OUR KIDS!" CAMPAIGN** to kick off National Healthy Homes Month. The campaign is an enforcement effort to protect young children from lead poisoning in older housing. The campaign aimed to get landlords and sellers of older homes to fulfill responsibilities to disclose lead-based hazards in their properties, while also working to ensure that all federally assisted homes are lead-safe. Lead is a highly toxic metal that can cause a range

of health problems, especially in young children. HUD estimates that nearly 30 million homes in the U.S. have indoor environmental hazards, such as lead-based paint and mold.

**A FEDERAL REGISTER NOTICE ON BASIC STATUTORY MORTGAGE LIMITS** for Multifamily Housing Programs for Calendar Year 2018 was published in June, and can be found online at <https://www.gpo.gov/fdsys/pkg/FR-2018-06-04/pdf/2018-11854.pdf>. The FHA Down Payment Simplification Act of 2002 amended the National Housing Act by adding a new Section 206A that in turn affects several sections. The dollar amounts in these sections are the base per unit statutory limits for FHA's multifamily mortgage programs and have been adjusted annually since 2004 on the effective date of the Consumer Financial Protection Bureau's adjustment of the \$400 figure in the Home Ownership and Equity Protection Act of 1994 (HOEPA). The adjustment of the dollar amounts is calculated using the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) as applied by the Bureau of Consumer Financial Protection for purposes of the HOEPA adjustment. The percentage change in the CPI-U used for the HOEPA adjustment is 2.1 percent and the effective date of the HOEPA adjustment is Jan. 1, 2018. The dollar amounts under Section 206A have been adjusted correspondingly and have an effective date of Jan. 1, 2018.

**IN MAY, HUD RELEASED DESIGNATIONS FOR ANNUAL BASE CITY HIGH COST PERCENTAGES** and High Cost Areas for maximum mortgage amounts for the FHA Multifamily Housing Programs. In addition, the Multifamily Accelerated Processing (MAP) Guide adjusted the base amount per unit to define substantial rehabilitation for FHA insured loan programs. The threshold for a High Cost Area has been set for all areas with a "cal-

culated" High Cost Percentage (HCP) of 292.54 or greater. To view the notice, visit <https://www.nahma.org/wp-content/uploads/2018/05/Annual-Revisions-to-Base-City-High-Cost-Percentage-High-Cost-Area-and-Per-Unit-Substantial-Rehab-Threshold-for-2018.pdf>.

**HUD RELEASED ITS FISCAL YEAR (FY) 2018 ALLOCATIONS FOR THE HOUSING TRUST FUND**, HOME Investment Partnerships, and other block grant programs in May. The total FY 2018 allocation of \$266.8 million represents a 22 percent increase over FY 2017. To view state-by-state allocations for HOME, Community Development Block Grants, Housing Opportunities for Persons with AIDS, Emergency Solutions Grants and the Housing Trust Fund, visit [https://www.hud.gov/program\\_offices/comm\\_planning/about/budget/budget18](https://www.hud.gov/program_offices/comm_planning/about/budget/budget18).

**HUD HAS ANNOUNCED THE LAUNCH OF THE REDESIGNED ISDV WEBSITE**, [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/reac/isdv?utm\\_medium=email&utm\\_source=govdelivery](https://www.hud.gov/program_offices/public_indian_housing/reac/isdv?utm_medium=email&utm_source=govdelivery). This website will be the portal for everything related to UPCS-V. The redesigned site features pages with dedicated topic area content for UPCS-V, Software, Protocol, and Training.

**ON MAY 23, HUD PUBLISHED THREE FEDERAL REGISTER NOTICES REGARDING ASSESSMENTS** of Fair Housing (AFH) under the Affirmatively Furthering Fair Housing (AFFH) regulations. The notices withdrew the Local Government Assessment Tool & Solicitations for Comments on Tool Improvements notice; the Notice Extending the Deadline for Submission of AFH for Consolidated Plan Participants notice; and the Responsibility to Conduct Analysis of Impediments notice. To read the notices, visit [https://www.hud.gov/press/press\\_releases\\_media\\_advisories/HUD\\_No\\_18\\_044](https://www.hud.gov/press/press_releases_media_advisories/HUD_No_18_044). NN

## Three Great Books!

### **Green Housing: A Practical Guide to Green Real Estate Management**

A great primer—it covers all the basic concepts for creating a green operation and maintenance plan. Perfect for owners, developers or managers who want to go green. **\$35 per copy plus \$5 shipping and handling.**

### **A Practical Guide to Tax Credit Housing Management**

This study guide for the Specialist in Housing Credit Management (SHCM) certification program covers key concepts in the Low Income Housing Tax Credit program and is a must for every tax credit property manager! **\$25 for members; \$30 for nonmembers.** (Add \$5 shipping per copy.)

### **Understanding Insurance and Risk Management**

This user-friendly publication is an informative yet easy-to-read primer for front-line property management staff. Includes many practical checklists, sample policies and forms. Every property manager should have a copy! **\$35 for members; \$40 for nonmembers.**



Order at [www.nahma.org/store](http://www.nahma.org/store)  
or call Rajni Agarwal  
at 703.683.8630, ext.115.  
Quantity discounts available.

# NAHMA

## A Natural Problem-Solver

CINDY LAMB IS PRETTY HANDY with numbers. She has a bachelor's degree in accounting from Eastern Michigan University after all. However, she is also pretty handy with her hands, too.

"My father was always building things and I was dad's helper," she said. "When I was in high school, we tiled the bathroom together."

So when Lamb needed storage in her home office, which also doubles as

run business named Carla Stone Insurance, where the husband did bookkeeping for other businesses and the wife did insurance.

In her current position as controller, Lamb oversees the accounting and certification departments, is the Section 504 coordinator and serves as the assistant treasurer on the CSI board of directors.



solution," Lamb said. "It really helps to have company processes and policies along with required guidelines and regulations and laws. If we have followed all our established steps, I can present an argument supporting our conclusions."

In addition to her duties at CSI, Lamb has active roles in MAHMA, where she is a board trustee and the Midwest Association of Housing Cooperatives. Furthermore, she is a member of NAHMA, where she serves on the board of directors.

In her spare time, when the weather is nice she spends her time outside planting flowers and pulling weeds in her yard. In the colder months, she spends free time reading. "I am never without a book or Kindle," she said. **NN**

*Jennifer Jones is manager of communications and public relations for NAHMA.*

**"Whether it's how to book a particular accounting entry, research how a rent calculation was completed or deal with a Section 504 fair housing issue, I like to face those challenges and find the solution."**

a library, she and her dad, who was 81 at the time, got to work. Lamb designed the shelves and cut the wood, while the pair screwed everything together.

"I could have gone to Ikea to find something to fit the space. I hadn't done something like that before, but I knew he did," she said. "I like to putz around. I grew up in a family that was handy. I have an aunt that rewired her whole house. I can do minor plumbing, too."

That can-do spirit has helped Lamb shine at CSI Support & Development Services for the last 24 years. She began working for the Michigan-based company five years out of college as an accountant. Today, Lamb is the corporate controller, a position she has held for the last 10 years.

"I've had two jobs out of college and both were with companies called CSI," she said. Her first job was with a family-

run business named Carla Stone Insurance, where the husband did bookkeeping for other businesses and the wife did insurance. CSI is a nonprofit resident/member controlled organization that utilizes a cooperative management system and engages its resident membership in decision-making at every level of its operations at all 59 of its managed properties, which are located in Michigan, Maryland, Massachusetts and California, as well as at the corporate level.

"Which means anyone who is a member can have a say," Lamb said. "Our board of directors is made up of people at our properties and are elected. I'm a staff member, but also a member."

Lamb said her favorite days at work are when she has to figure out the solution to a problem.

"Whether it's how to book a particular accounting entry, research how a rent calculation was completed or deal with a Section 504 fair housing issue, I like to face those challenges and find the

### Welcome New Members

**NAHMA welcomes the following new members as of July 25, 2018.**

#### EXECUTIVE

Alicia Khasky, Mercy Housing Management, Denver, Colo.

Tamme Polson, Peabody Properties Inc., Braintree, Mass.

#### AFFILIATE

Cash Gill, Gill Group, Dexter, Mo.

# EDUCATION CALENDAR

For information on specific classes, contact the AHMA or organization directly. All dates and locations are subject to change. For the most up-to-date listings, visit the NAHMA Education & Event Calendar at <http://www.nahma.org/education/education-event-calendar/>.

## SEPTEMBER

- 5**  
**Special Claims**  
Webinar  
SAHMA  
800-745-4088  
[www.sahma.org](http://www.sahma.org)
- 6**  
**REAC Appeal Process**  
Webinar  
SAHMA  
800-745-4088  
[www.sahma.org](http://www.sahma.org)
- 7**  
**Self-Auditing HUD Files**  
Webinar  
AHMA-PSW  
866-698-2462  
[www.ahma-psw.org](http://www.ahma-psw.org) &  
AHMA-NCH  
510-452-2462  
<http://ahma-nch.org>
- 11**  
**EIV 101**  
Connecticut  
NEAHMA  
781-380-4344  
[www.neahma.org](http://www.neahma.org)
- HOME Workshop**  
Grant Pass, OR  
Oregon AHMA  
503-357-7140  
[www.oregonaffordablehousingmanagement.com](http://www.oregonaffordablehousingmanagement.com)
- Basic LIHTC Compliance**  
Glen Allen, VA  
Mid-Atlantic AHMA  
804-673-4128  
[www.mid-atlanticaahma.org](http://www.mid-atlanticaahma.org)
- 12**  
**Basic Tax Credit**  
Connecticut  
NEAHMA  
781-380-4344  
[www.neahma.org](http://www.neahma.org)
- Fair Housing Compliance**  
Princeton, NJ  
JAHMA  
856-786-9590  
[www.jahma.org](http://www.jahma.org)

- 13**  
**Reasonable Accommodations**  
Rhode Island  
NEAHMA  
781-380-4344  
[www.neahma.org](http://www.neahma.org)
- Half-Day File Management & Documentation for LIHTC Projects**  
Glen Allen, VA  
Mid-Atlantic AHMA  
804-673-4128  
[www.mid-atlanticaahma.org](http://www.mid-atlanticaahma.org)
- Half-Day Interviewing Skills**  
Glen Allen, VA  
Mid-Atlantic AHMA  
804-673-4128  
[www.mid-atlanticaahma.org](http://www.mid-atlanticaahma.org)
- Finance**  
California  
AHMA-PSW  
866-698-2462  
[www.ahma-psw.org](http://www.ahma-psw.org)
- Fair Housing Trends & Hot Topics: Hoarding, Harassment and Hoodlums**  
Lincoln City, OR  
Oregon AHMA  
503-357-7140  
[www.oregonaffordablehousingmanagement.com](http://www.oregonaffordablehousingmanagement.com)
- Fair Housing Timely Topics**  
Webinar  
SAHMA  
800-745-4088  
[www.sahma.org](http://www.sahma.org)
- 14**  
**Massachusetts Quarterly Meeting**  
Massachusetts  
NEAHMA  
781-380-4344  
[www.neahma.org](http://www.neahma.org)
- 17-18**  
**AHMA-NCH Annual Conference**  
Oakland, CA  
AHMA-NCH  
510-452-2462  
<http://ahma-nch.org>

- 19**  
**MOR/EIV/Wait List Focus Class for HUD Managers**  
Grant Pass, OR  
Oregon AHMA  
503-357-7140  
[www.oregonaffordablehousingmanagement.com](http://www.oregonaffordablehousingmanagement.com)
- Income & Assets Compliance**  
Glen Allen, VA  
Mid-Atlantic AHMA  
804-673-4128  
[www.mid-atlanticaahma.org](http://www.mid-atlanticaahma.org)
- 20**  
**EIV 201**  
Connecticut  
NEAHMA  
781-380-4344  
[www.neahma.org](http://www.neahma.org)
- 25**  
**Self-Auditing Tax Credit Files**  
Webinar  
AHMA-PSW  
866-698-2462  
[www.ahma-psw.org](http://www.ahma-psw.org) &  
AHMA-NCH  
510-452-2462  
<http://ahma-nch.org>
- 26**  
**Wednesday Workshop**  
Salem, OR  
Oregon AHMA  
503-357-7140  
[www.oregonaffordablehousingmanagement.com](http://www.oregonaffordablehousingmanagement.com)

- Basic Occupancy**  
Inglewood, CA  
AHMA-PSW  
866-698-2462  
[www.ahma-psw.org](http://www.ahma-psw.org)
- LIHTC: Certifying Income Eligibility**  
Webinar  
SAHMA  
800-745-4088  
[www.sahma.org](http://www.sahma.org)

- 26-27**  
**PennDel AHMA Fall Management Conference**  
Dover, DE  
PennDel  
856-786-2183  
[www.pennadelphama.org](http://www.pennadelphama.org)
- 27-28**  
**SHCM**  
Long Beach, CA  
AHMA-PSW  
866-698-2462  
[www.ahma-psw.org](http://www.ahma-psw.org)
- 28**  
**Rhode Island Quarterly Meeting**  
Rhode Island  
NEAHMA  
781-380-4344  
[www.neahma.org](http://www.neahma.org)

## OCTOBER

- 2**  
**LIHTC File Audit**  
Connecticut  
NEAHMA  
781-380-4344  
[www.neahma.org](http://www.neahma.org)
- 3**  
**Fair Housing Course (FHC)**  
Rhode Island  
NEAHMA  
781-380-4344  
[www.neahma.org](http://www.neahma.org)
- SHCM Certification Training**  
Oakland, CA  
AHMA-NCH  
510-452-2462  
<http://ahma-nch.org>
- 5**  
**Connecticut Quarterly Meeting**  
Connecticut  
NEAHMA  
781-380-4344  
[www.neahma.org](http://www.neahma.org)

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## OCTOBER

### 10 Hoarding & Housing: Setting Up for Success

Salem, OR  
Oregon AHMA  
503-357-7140  
[www.oregonaffordablehousingmanagement.com](http://www.oregonaffordablehousingmanagement.com)

### Change 4 Verification

Webinar  
AHMA-NCH  
510-452-2462  
<http://ahma-nch.org>

### Blended Occupancy

Webinar  
AHMA-NCH  
510-452-2462  
<http://ahma-nch.org>

### 11

HR  
California  
AHMA-PSW  
866-698-2462  
[www.ahma-psw.org](http://www.ahma-psw.org)

### 11-12

#### Annual Fall Conference

Champion, PA  
PAHMA  
412-445-8357  
[www.pahma.org](http://www.pahma.org)

### 16

#### Tenant Selection Basics: Screening, Preferences, Income Targeting and Rejecting Applicants

Webinar  
AHMA of Washington  
360-561-3480  
<http://ahma-wa.org>

### 16-17

#### Annual Conference & Trade Show

Massachusetts  
NEAHMA  
781-380-4344  
[www.neahma.org](http://www.neahma.org)

### 17-19

#### Conquering RD Compliance

Salem, OR  
Oregon AHMA  
503-357-7140  
[www.oregonaffordablehousingmanagement.com](http://www.oregonaffordablehousingmanagement.com)

### 21-23

#### NAHMA Fall Meeting

Washington, D.C.  
NAHMA  
703-683-8630  
[www.nahma.org](http://www.nahma.org)

### 23-25

#### CPO

Long Beach, CA  
AHMA-PSW  
866-698-2462  
[www.ahma-psw.org](http://www.ahma-psw.org)

### 24

#### Fair Housing Trends & Hot Topics: Hoarding, Harassment and Hoodlums

Grants Pass, OR  
Oregon AHMA  
503-357-7140  
[www.oregonaffordablehousingmanagement.com](http://www.oregonaffordablehousingmanagement.com)

### 26

#### FHC

Orange, CA  
AHMA-PSW  
866-698-2462  
[www.ahma-psw.org](http://www.ahma-psw.org)

### Personal Isn't Professional

Salem, OR  
Oregon AHMA  
503-357-7140  
[www.oregonaffordablehousingmanagement.com](http://www.oregonaffordablehousingmanagement.com)

## NOVEMBER

### 6

#### Marketing & Lease Up

California  
AHMA-PSW  
866-698-2462  
[www.ahma-psw.org](http://www.ahma-psw.org)

### 7-8

#### Tax Credit Training and SHCM Exam

Connecticut  
NEAHMA  
781-380-4344  
[www.neahma.org](http://www.neahma.org)

### 13

#### EIV A to Z-Security, Effective Use and Compliance

Pomona, CA  
AHMA-PSW  
866-698-2462  
[www.ahma-psw.org](http://www.ahma-psw.org)

### 13-15

#### Fall Regional Conference

Richmond, VA  
Mid-Atlantic AHMA  
804-673-4128  
[www.mid-atlantichma.org](http://www.mid-atlantichma.org)

### 14

#### Identifying Reportable Hoarding Clues Among Older Adults

Webinar  
AHMA-PSW  
866-698-2462  
[www.ahma-psw.org](http://www.ahma-psw.org) &  
AHMA-NCH  
510-452-2462  
<http://ahma-nch.org>

#### Basic Fundamentals of Fair Housing and Section 504

Webinar  
AHMA-PSW  
866-698-2462  
[www.ahma-psw.org](http://www.ahma-psw.org)

#### Fair Housing Trends & Hot Topics: Hoarding, Harassment and Hoodlums

Salem, OR  
Oregon AHMA  
503-357-7140  
[www.oregonaffordablehousingmanagement.com](http://www.oregonaffordablehousingmanagement.com)

### 15

#### ACPO

Los Angeles, CA  
AHMA-PSW  
866-698-2462  
[www.ahma-psw.org](http://www.ahma-psw.org)

### 15-16

#### Tax Credit and SHCM Exam

Princeton, NJ  
JAHMA  
856-786-9590  
[www.jahma.org](http://www.jahma.org)

### 27

#### NAHMA Presents Key People Skills for Property Management Staffers: Strategic Thinking and Problem Solving

Webinar  
Register through your local AHMA  
<https://www.nahma.org/membership/ahma-directory/>

## DECEMBER

### 3

#### Managing the LIHTC Utility Allowance

Webinar  
AHMA-PSW  
866-698-2462  
[www.ahma-psw.org](http://www.ahma-psw.org) &  
AHMA-NCH  
510-452-2462  
<http://ahma-nch.org>

#### How to Write an (Approvable) AFHMP

Webinar  
AHMA-PSW  
866-698-2462  
[www.ahma-psw.org](http://www.ahma-psw.org) &  
AHMA-NCH  
510-452-2462  
<http://ahma-nch.org>

### 4

#### CPO Certification Class

Oakland, CA  
AHMA-NCH  
510-452-2462  
<http://ahma-nch.org>

### 11-13

#### Tax Credit Compliance Course with SHCM Option

Glen Allen, VA  
Mid-Atlantic AHMA  
804-673-4128  
[www.mid-atlantichma.org](http://www.mid-atlantichma.org)

### 12

#### Member Meeting

California  
AHMA-PSW  
866-698-2462  
[www.ahma-psw.org](http://www.ahma-psw.org)

# You deserve a hand!

## Get recognized as a Community of Quality<sup>®</sup> through NAHMA's National Recognition and Awards Program.

Affordable housing providers who create safe, attractive, well-maintained properties that are neighborhood assets deserve to be recognized for their outstanding achievements.

That's why the National Affordable Housing Management Association created the **Communities of Quality<sup>®</sup> (COQ) National Recognition and Awards program**. When your property meets NAHMA's high standards in physical maintenance, financial management, programs and services, employee credentials and other criteria, it becomes a member of an elite group.

COQ properties qualify for regional and national awards, a listing in an online registry of the country's top affordable properties, the use of COQ marketing materials, and even possibly an insurance premium discount.

**So don't delay—apply today to be nationally recognized as a NAHMA Community of Quality<sup>®</sup>. For more information, go to NAHMA's website at [www.nahma.org](http://www.nahma.org) or call 703-683-8630.**



Nationally recognized Communities of Quality, from top, EME Apartments of Conway, Conway, S.C.; Rogers Hall, Lowell, Mass.; and Powdermill Village, Westfield, Mass.

# NAHMA

PROTECTING THE INTERESTS OF AFFORDABLE HOUSING PROPERTY MANAGERS AND OWNERS

## thelastword

# Support the NAHMA Educational Foundation



THE NAHMA EDUCATIONAL Foundation will be awarding 64 scholarship this year. Each scholarship is worth \$2,500, which means a total of \$160,000 will help deserving residents of affordable housing continue their educational pursuits.

When the first scholarships were awarded in 2007, the 22 scholars received a total of \$22,000. With this year's scholars class, the foundation will have given away more than \$1,410,000.

The foundation's scholarship program has come a long way since its launch 12 years ago. It continues to grow, not only in the number of residents receiving financial assistance to continue their post high school education, but in the amount these residents receive.

Now, the foundation needs your help to continue its mission of helping residents of affordable housing work to better their futures. The 2018 fundraising campaign is underway and

will culminate with the NAHMA Educational Foundation Inspire Gala, A Future of Hope, at the Mansion on O Street, Oct. 22, as part of the NAHMA fall conference activities in Washington, D.C.

The gala serves as the primary public fundraising event for the foundation with proceeds going to the scholarship program. I urge you to contribute to this worthy cause. Several sponsorship packages are available. Visit the foundation's webpage at [nahma.org](http://nahma.org) for details.

Even if you are unable to sponsor the gala, do not forget to purchase a ticket or two to attend this year's dinner at the Mansion on O Street, which boasts one of the top-10 pastry chefs in the country and has been called a "top-five historic venues to explore in the world," by *Smithsonian* magazine.

The highlight of the evening will be the presentation of the Inspiration Award to Wayne Fox and Jim

McGrath, for their passion, vision and the profound impact they have had in advancing education in affordable housing communities.

And, do not forget to bring your wallet. The celebration also features the annual calendar contest poster auction that also includes bidding opportunities for unique travel and event experiences and jewelry. The auction is always a fun—and fast moving—event that also contributes to the scholarship program. You can see a list of the poster contest winners beginning on page 22.

This is a great opportunity for property managers, vendors and industry stakeholders to support this important scholarship fund and to network with national leaders in the affordable housing and multifamily housing industry. **NN**

*Michael Johnson, SHCM, NAHP-e, is executive vice president and chief administrative officer of Alco Management Inc. and president of NAHMA.*