NATIONAL AFFORDABLE HOUSING MANAGEMENT ASSOCIATION

# NAHMANews

September October 2021

PROTECTING THE INTERESTS OF AFFORDABLE HOUSING PROPERTY MANAGERS AND OWNERS

IN THIS ISSUE



COMMUNITIES OF QUALITY

# Spending Bills Focus on Affordable Housing

In April 2021, President Joe Biden unveiled his American Jobs Plan (*see July/August 2021 NAHMA News*), a draft infrastructure proposal that included several investments in housing. The proposal committed over $213 billion to produce, preserve, and retrofit more than a million affordable, resilient, accessible, energy-efficient, and electrified housing units.

Since then, the plan has essentially been following two financial tracks in Congress. One spending bill covers transportation-related items traditionally considered as infrastructure, and the other bill includes housing investments. In early August, the Senate approved a budget resolution that will allow Democrats to pass a $3.5 trillion spending plan. A couple of weeks later, the House approved its spending bill framework. The two versions will now have to be reconciled into one bill.

## HOUSE COMMITTEE ADVANCES AFFORDABLE HOUSING LEGISLATION

On Sept. 14, the House Financial Services (HFS) Committee approved legislation that would provide $327 billion for affordable housing as part of President Joe Biden's $3.5 trillion infrastructure and economic recovery package. Specifically, the House committee approved increased investments and resources for the following key affordable housing programs.

**Project-Based Rental Assistance (PBRA):** Provides $15 billion for the PBRA program. This funding will support the first new PBRA contracts funded in nearly four decades, and the HFS Committee estimated the investment would assist over 260,000 units. The HFS Committee also approved $4 billion to preserve and improve safety conditions in properties receiving Section 8 Project-Based Rental Assistance.

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### FY 2022 Appropriations

**CONGRESS PASSED A CONTINUING resolution (CR) Sept. 30, which avoids a government shutdown. The stopgap funding bill gives Congress until Dec. 3 to pass fiscal year 2022 appropriations bills. Without the CR, the federal government would have shut down at midnight on Sept. 30. The CR keeps the current funding levels in place. The measure did not address the debt-ceiling increase to prevent the government from defaulting on its national debts or the infrastructure bill.**

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**inside nahma** BY KRIS COOK, CAE

# Celebrating the Positives

EACH YEAR, NAHMA COMMENDS the communities that prove the classification of "affordable housing" does not have to be a negative. We applaud the leaders that keep the industry strong. In addition, NAHMA pays tribute to the residents that call these communities home.

## RECOGNIZING EXCEPTIONAL COMMUNITIES

Please help us honor the multifamily developments that prove affordable housing can be an asset to any community through the Communities of Quality (COQ) National Recognition Program and COQ Awards.

To be eligible for the COQ Awards, a community must be a COQ Nationally Recognized property. Visit the COQ webpage under the Awards & Contests tab at naham.org.

The COQ Awards honor the achievements of affordable housing providers who have made an unprecedented contribution to the affordable housing industry by developing and maintaining outstanding properties that are safe and vibrant places to live.

If you are already a Nationally Recognized property, you have done the hard part. Now is the time to work on your application for the 2021 COQ Awards competition, which is due Nov. 4. The application brochure can be downloaded from the COQ Awards Program webpage at www.nahma.org.

## SEND US YOUR CHOICES

Nominations for NAHMA's annual Industry Awards are due Nov. 5. To nominate someone for any of the following three awards, please send me an email explaining which award you are selecting the person for and why you think the person should be the award winner, including specific accomplishments supporting your recommendation. This section should be a minimum of 100 words up to a maximum of 1,500 words.

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.

## GET YOUR ORDERS IN NOW

Celebrate the people who make up our wonderful communities by ordering a 2022 NAHMA Drug-Free Kids Calendar.

The calendars feature outstanding original artwork by children, seniors and adults with special needs living in affordable multifamily housing. The underlying message for the annual contest is always a drug-free theme. Still, a subtheme is incorporated into the poster contest. The subtheme for 2021 is *With Responsibility Comes Reward: Holding Ourselves Accountable*.

The cost is $5.50 per calendar, which is a HUD and U.S. Department of Agriculture allowable project expense. Visit the NAHMA website to download an order form from the Online Store today. **NN**

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

**Section 811:** Provides $1 billion for Section 811 to help persons with disabilities to live independently in integrated housing with community-based support and services. The investment will assist over 111,000 units. The Department of Housing and Urban Development (HUD)'s Worst Case Housing Needs: Report to Congress states that over 1.3 million very low-income renter households are paying more than half of their income in rent or living in substandard housing, including one or more non-elderly people with disabilities.

**Section 202:** Provides $2.5 billion for the 202 Supportive Housing for the Elderly programs and creates over 37,500 units that will enable seniors to live independently and with dignity.

**Housing Choice Vouchers:** Provides $75 billion to fund incremental Housing Choice Vouchers. Of this amount, $24 billion is targeted to individuals and families experiencing or at risk of homelessness and survivors of domestic violence, dating violence, sexual assault, stalking, and human trafficking.

**Public Housing:** Provides $77.25 billion to address the capital needs backlog of public housing fully. The HFS Committee also approved $2.75 billion in grants structured similar to the Choice Neighborhood Initiatives Program. This place-based grant program supports communities to develop and implement locally driven comprehensive plans to transform underserved neighborhoods into thriving communities with greater economic opportunities for all residents. The committee estimates that this investment for Choice Neighborhoods will enable communities to redevelop nearly 16,000 units of distressed public and HUD-assisted housing.

**HOME:** Provides $35 billion for the HOME Investment Partnerships Program to fund the construction, purchase, or rehabilitation of affordable homes for low-income people. The investment will create or rehabilitate over 250,000 units, provide rental assistance to over 134,000 low-income families, enable over 73,000 low-income families to repair their homes, and move over 151,000 families into sustainable homeownership.

**Housing Trust Fund:** The House committee also approved a set-aside of $37 billion for activities under the National Housing Trust Fund to support the preservation and creation of over 330,000 new rental homes affordable to the lowest-income households. No more than 10% of the funds can be used to support homeownership activities, and no more than 15% can be used for administrative and planning costs.

The committee waived the commitment deadline, matching requirements, and set-aside for Community Housing Development Organizations for both the HOME program and the Housing Trust Fund. The committee also approved letting the HUD secretary recapture "certain amounts remaining available to a grantee … or amounts declined by a grantee" and reallocate funds to other grantees to ensure fund expenditure, geographic diversity, and the availability of funding to communities within the state from which the funds have been recaptured. The HUD secretary may also waive any or specify alternative requirements or regulations other than requirements related to fair housing, nondiscrimination, labor standards, and the environment, if necessary, to expedite or facilitate the use of funds.

**Rural Housing:** Provides $4.8 billion to carry out new construction, improve energy and water efficiency or climate resilience, remove health and safety hazards, and preserve housing under the Section 515 Rural Rental Housing and Section 514/516 Farm Labor Housing programs. This section would also provide additional rural rental assistance to eligible households. The committee estimates this investment will preserve over 89,000 units.

**Energy Efficiencies:** Provides $7 billion to establish a grant program for federally assisted affordable housing owners to make energy-efficiency upgrades, including electrification of systems and appliances and installing renewable energy types and resiliency. This investment will retrofit or otherwise upgrade over 92,000 HUD-assisted units.

## TAX INVESTMENTS

On Sept. 15, the House Ways and Means Committee approved legislation that includes $1.2 trillion worth of tax investments as part of President Biden's $3.5 trillion infrastructure and economic recovery package. Specifically, the committee approved increased investments to develop and construct new affordable housing, including the following programs.

**Increasing Annual Housing Credit State Allocations:** Increases the 9% housing credit and the small state minimum by 50% and phases in this increase over five years. In calendar years 2026-2028, the amounts are adjusted for inflation. The increases include the 12.5% expansion in the 9% housing credit passed in 2018. The provision is effective after Dec. 31, 2021.

**Reducing Tax-Exempt Bond Financing Requirement:** Temporarily reduces the 50% requirement to 25% to enable housing credit deals to unlock more 4% credits. The provision is effective for buildings financed by the proceeds of certain tax-exempt bonds issued in calendar years 2022-2028 and not funded by previous bonds issued in tax years 2019-2021 for buildings placed in service in taxable years after Dec. 31, 2021.

**Basis Boosts for Buildings Designated to Serve Extremely Low-Income Households:** Provides a 50% basis boost for Low-Income Housing Tax Credit (LIHTC) buildings that designate at least 20% of their occupied units for extremely low-income residents and limit rent to no more than 30% of the greater of 30% of area median income or the federal poverty line. The provision is funded by a set-aside equal to 10% of a state's housing credit allocation, and the set-aside is in addition to this allocation. Certain buildings eligible for the 10% set-aside can also receive an enhanced low-income housing tax credit. The enhanced credit provision applies to LIHTC buildings receiving either the 9% or 4% housing credit. For purposes of the 9% credit, however, a housing credit agency may not allocate more than 15% of the portion of the state's housing credit ceiling amount to such buildings after the date of enactment.

Furthermore, for purposes of the 4% credit, a state may not issue more than 10% of its private activity bond volume cap to such buildings. The enhanced credit terminates after Dec. 31, 2031. The provision is effective for allocations and determinations of housing credit dollar amounts after Dec. 31, 2021.

**Inclusion of Rural Areas as Difficult Development Areas (DDAs):** Gives states the ability to provide up to a 30% basis boost to properties in rural areas if needed for financial feasibility by qualifying rural areas as Difficult Development Areas. Rural areas are defined as any nonmetropolitan counties or any rural areas designated in a state's qualified action plan and defined by Section 520 of the Housing Act of 1949. This would allow these developments to receive more housing credit equity than would otherwise be available to them. The provision applies to buildings placed in service after Dec. 31, 2021.

**Increase in Credit for Bond-Financed Projects Designated as DDAs:** Modifies the rule that treats as difficult development areas for determining eligible basis, those buildings designated by housing credit agencies as requiring an increase in credit. Under the proposal, buildings so designated and financed with the proceeds of certain tax-exempt bonds are treated as difficult development areas to determine eligible basis as long as the determinations of housing credit dollar amounts are not made after Dec. 31, 2028.

**Repeal of Qualified Contract Option:** Eliminates the qualified contract exception for buildings receiving allocations after Jan. 1, 2022. Specifically, the provision limits the use of the exception to:

- Buildings that received housing credit allocations before Jan. 1, 2022, or
- With respect to buildings financed with tax-exempt bonds, buildings that received before Jan. 1, 2022, a determination from the issuer of the tax-exempt bonds or the housing credit agency that the building has satisfied the Qualified Allocation Plan requirements and the financial feasibility determination. In addition, the proposal modifies the specified statutory price for buildings that may still make use of the qualified contract exception. The price for any non-low-income portion remains the fair market value. The price for the low-income portion is the fair market value, determined by the housing credit agency, considering the rent restrictions required to continue to satisfy the minimum set-aside requirements. The secretary is directed to prescribe regulations necessary or appropriate to the determination of the specified statutory price.

**The committee waived the commitment deadline, matching requirements, and set-aside for Community Housing Development Organizations for both the HOME program and the Housing Trust Fund. The committee also approved letting the HUD secretary recapture "certain amounts remaining available to a grantee … or amounts declined by a grantee" and reallocate funds to other grantees to ensure fund expenditure, geographic diversity, and the availability of funding to communities within the state from which the funds have been recaptured.**

**Right of First Refusal Option Safe Harbor:** Changes the right of first refusal safe harbor into an option safe harbor. For existing agreements, the provision clarifies, for purposes of the safe harbor, that the right to acquire the building includes the right to acquire all of the partnership interests relating to the building. It also clarifies that the right to acquire the building includes the right to acquire assets held for the building's development, operation, or maintenance. Thus, agreements that provide the right to acquire these partnership interests or building assets do not satisfy the safe harbor. For existing agreements, the provision also clarifies that the right of first refusal safe harbor may be satisfied by the grant of an option. A right of first refusal may be exercised in response to an offer by a related party; a bona fide third-party offer is not needed. A right of first refusal may be exercised without the approval of any owner of a credit project. Thus, agreements with these terms do not fail to satisfy the safe harbor. Finally, the provision amends the minimum purchase price to exclude

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exit taxes. Thus, agreements that do not include exit taxes as part of the minimum purchase price do not fail to satisfy the safe harbor.

**New Neighborhood Homes Tax Credit:** Establishes a new federal tax credit to encourage the rehabilitation of deteriorated homes in distressed neighborhoods. States would receive Neighborhood Homes Investment Act (NHIA) tax credit authority and administer and allocate credits competitively. NHIA tax credits would be used to cover the gap between development costs and sales prices, up to 35% of eligible development costs. Rehabilitated homes must be owner-occupied for investors to receive the credits. Homeowners must be below certain income limitations, sales prices are capped, and qualifying neighborhoods must have elevated poverty rates, lower incomes, and modest home values. Special rules apply to rehabilitations that occur when homes are already owner-occupied before and during such rehabilitation. This provision applies to taxable years beginning after Dec. 31, 2021.

There were other tax provisions approved by the committee as well. A corporate tax rate increase would replace the current flat 21% corporate tax rate with a graduated rate, starting at 18% on the first $400,000 of income; 21% on income up to $5 million; and 26.5% on income above $5 million. However, the graduated rate would phase out for corporations making more than $10 million. An increase in top marginal individual income tax rate to 39.6%. This marginal rate applies to married individuals filing jointly with taxable income over $450,000, to heads of households with taxable income over $425,000, to unmarried individuals with taxable income over $400,000, to married individuals filing separate returns with taxable income over $225,000, and to estates and trusts with taxable income over $12,500. This would apply to taxable years beginning after Dec. 31, 2021. An increase in capital gains rate for certain high-income individuals to 25% from 20%, short of the 39.6% proposed by President Biden to equalize investment and wage income taxation. A 3.8% Affordable Care Act tax on investment would be added on top, meaning the wealthiest individuals would pay a 28.8% federal rate on realized investment returns. A high-income surcharge creates a new 3% surtax on individuals with modified adjusted gross income exceeding $5 million—$2.5 million for a married individual filing separately, a provision not included in the president's proposals. This is proposed to be effective for tax years beginning after Dec. 31, 2021.

The week of Aug. 9, the Senate approved a budget resolution to allow Democrats to pass a $3.5 trillion spending plan without Republican support. The Senate resolution provided congressional committees with instructions on spending and revenue topline figures to draft legislative changes and program funding levels in a final bill.

The full House is expected to vote on the $3.5 trillion funding bill in the coming weeks. Following approval in the House, the bill would then go to the Senate for further consideration.

## SENATE APPROVES $3.5 TRILLION BUDGET RESOLUTION

The week of Aug. 9, the Senate approved a budget resolution to allow Democrats to pass a $3.5 trillion spending plan without Republican support. The Senate resolution provided congressional committees with instructions on spending and revenue topline figures to draft legislative changes and program funding levels in a final bill. The Senate Banking, Housing, and Urban Affairs Committee received $332 billion with instructions to create and preserve affordable housing by making large investments in programs like the Housing Trust Fund, HOME, the Capital Magnet Fund, and rural housing. The budget resolution also specifies funding for improving housing affordability and equity by providing down payment assistance, rental assistance, and other homeownership initiatives. Additionally, it recognizes the need to provide community investment, development, and revitalization through initiatives like Community Land Trusts, investments in Community Development Block Grants, zoning, land use, and transit improvements to create healthy and sustainable housing. The budget resolution also included instructions for capital investments in public housing and sustainability efforts.

## THE INFRASTRUCTURE DEAL

Negotiations for a bipartisan infrastructure deal continue. The bipartisan $1.2 trillion infrastructure bill includes $579 billion in new spending in areas such as transportation, water infrastructure, and broadband.

The current bipartisan infrastructure framework has no housing provisions included, and it has stalled previously on disagreements on how its cost would be offset. The current framework proposes paying for the spending in several ways, including repurposing unspent COVID-19 relief funds and increasing enforcement of tax laws. The proposal calls for giving the IRS an additional $40 billion to raise $100 billion in net revenue, which Republicans oppose. Likewise, Democrats have raised concerns about repurposing unspent coronavirus relief funds to pay for the infrastructure proposal. **NN**

BY LARRY KEYS JR.

# Learn the Latest on the Eviction Moratorium and ERA Programs

### U.S. SUPREME COURT OVERTURNS EVICTION MORATORIUM

The U.S. Supreme Court lifted the Biden administration's moratorium on evictions in late August, with six justices voting in favor of ending the program. The majority opinion stated that the Centers for Disease Control and Prevention (CDC) had exceeded its authority. The opinion states, "The CDC has imposed a nationwide moratorium on evictions in reliance on a decades-old statute that authorizes it to implement measures like fumigation and pest extermination. It strains credulity to believe that this statute grants the CDC the sweeping authority that it asserts. It is indisputable that the public has a strong interest in combating the spread of the COVID-19 delta variant. But our system does not permit agencies to act unlawfully even in pursuit of desirable ends. If a federally imposed eviction moratorium is to continue, Congress must specifically authorize it."

### EXAMINING EMERGENCY RENTAL ASSISTANCE REFORMS

In early September, the House Financial Services Committee held a hearing titled Protecting Renters During the Pandemic: Reviewing Reforms to Expedite Emergency Rental Assistance, in response to concerns about the implementation of the Emergency Rental Assistance (ERA) programs. During the hearing, members heard testimony from housing experts and affordable housing providers who described their concerns and provided examples of problems encountered that slowed the flow of emergency rental assistance, including slow and cumbersome application processes, the reluctance of state and local officials and grantees to use less stringent eligibility requirements, and a general lack of awareness from both residents and housing providers regarding the availability of the emergency funds. The chairwoman of the committee, Rep. Maxine Waters (D-CA), and ranking member, Patrick McHenry (R-NC), also discussed their legislative proposals to reform the ERA programs:

- **H.R.5196, the Expediting Assistance to Renters and Landlords Act of 2021** introduced by Chairwoman Waters, would make several changes to the ERA 1 and ERA 2 programs, including allowing landlords to directly apply for back rent after providing notice to their tenants that they intend to apply, and conditioning the federal assistance the landlord receives on specific requirements, such as the resident being able to remain stably housed for at least 120 days after receiving the assistance, with specific exceptions related to health and safety of other individuals or property damage, to which the landlord can apply for rent payments to cover the 120 days. Other provisions include requiring grantees to accept self-attestation of a tenant and providing safe harbor provisions for grantees.
- **H.R.3913, the Renter Protection Act of 2021** introduced in June by Ranking Member McHenry, would require transferring all allocated but undisbursed ERA 2 program funds into the ERA 1 program, and the Department of the Treasury would be required to disburse the funds within 30 days. It would also mandate grantees with any unused ERA funds after July 1, 2021, to use those funds exclusively to pay off rental arrears for eligible households but not to provide prospective rent payments.

### ADMINISTRATION ENCOURAGES GREATER ACTION ON ERA DELIVERY

On Sept. 9, the administration hosted state and local leaders who have demonstrated efficient and rapid delivery of emergency rental assistance and enacted policies and procedures that helped avoid evictions for nonpayment of rent. Treasury Secretary Janet Yellen highlighted the importance of preventing evictions and made clear that Treasury has and will continue to remove any red tape that creates unnecessary, burdensome documentation processes and encourages self-attestation for financial hardship, income, and homelessness. She said that Treasury is prepared to reallocate funds from state and local grantees that have failed to quickly disperse emergency rental assistance funds to those grantees that are efficiently getting the funds out.

Secretary Yellen reported that slightly more than $5 billion in rental assistance has gone into the hands of those who need it as of July 30. White House American Rescue Plan (ARP) coordinator Gene Sperling reported the administration's goal of getting $16 billion of Emergency Rental Assistance program (ERA 1) funding out to tenants and housing providers in the next couple of months would not be met. Instead, he believes that only about $8 billion will go out by the end of October at the current pace. The administration is working to provide further guidance and assistance to state and local grantees. The meeting focused on best practices and included examples of high-performing emergency rental programs. **NN**

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

# Help Is Here

## Monthly payments for families with kids

**Raising kids can be expensive, and the Child Tax Credit is here to help. President Biden's American Rescue Plan increased the amount of the 2021 Child Tax Credit to support families with children.**

**The full benefit of the Child Tax Credit is now $300 per month per child under age 6 and $250 for each child age 6 to 17.**

**Did you file taxes in the last 2 years? Then you don't have to do anything to get the money you're already owed!**

If you filed your 2020 taxes this year or filed your 2019 taxes last year, or used the IRS "Non-Filer Portal" to get a stimulus check last year, you don't need to do anything. The IRS will automatically send you a monthly payment by direct deposit or check starting on July 15, 2021.

**The Child Tax Credit is $3,000 to $3,600 per child with advanced monthly payments.**

In order to get money to families quickly, the IRS will pay half of the credit as monthly payments now and the other half when you file your taxes next year. In total, you'll receive a total of $3,600 for each child under 6 and $3,000 for each child between 6 and 17.

**Didn't file taxes in the last 2 years? There's 1 easy step to start getting your Child Tax Credit payments.**

Just fill out a simple form to begin receiving your monthly Child Tax Credit payments. You can access it by going to childtaxcredit.gov

**All you'll need to apply are:**

- A reliable mailing address
- E-mail address
- Your children's Social Security Numbers
- Your Social Security Number (or ITIN)
- Your bank account information (if you want to receive your payment by direct deposit)

**Eligibility:** Most families, even those with little to no income, can receive the full amount. If you are a single parent making less than $112,500 or a married couple making less than $150,000—and have children under age 18 who will live with you for more than half of 2021—you are likely eligible for the full benefit. These benefits do not affect your eligibility for other federal benefits like SNAP.

Learn more and check out resources to help you fill out your form at **ChildTaxCredit.gov**

# NAHMA, Industry Partners Submit Disparate Impact Comments

NAHMA joined with four other industry partners to submit comments to the Department of Housing and Urban Development (HUD) on the disparate impact proposed rule, "Reinstatement of HUD's Discriminatory Effects Standard."

According to the comments, "The nation's housing providers represented here support the goals of the Fair Housing Act (FHA) and are fully committed to creating communities that provide equal housing opportunity for all. However, continued uncertainty and confusion related to disparate effects, or disparate impact, liability under the FHA has resulted in operational, legal, and broad business challenges for the housing industry. Unfortunately, the proposal will do little to address the needs of housing providers and America's renters or improve the predictability and results of fair housing efforts. Most importantly, the 2021 proposal fails to seize the opportunity to clarify lingering questions about how guidance from the Supreme Court's landmark decision in *Texas Department of Housing and Community Development v. The Inclusive Communities Project Inc. (Inclusive Communities)*, 576 U.S. 519 (2015) should be incorporated into the rule. Because it fails to address these important legal developments since the issuance of its original disparate impact rule in 2013, the 2021 proposal renders the U.S. Department of Housing and Urban Development's (HUD) disparate impact policies largely irrelevant and will lead courts and litigants to develop a separate body of case law that follows the requirements of the Inclusive Communities decision. Instead of simply reinstating the 2013 rule, the Housing Associations, therefore, urge HUD to resolve this tension by revising and reissuing a rule and supporting guidance that helps housing providers execute necessary and ordinary business practices without running afoul of fair housing requirements."

The Supreme Court's decision in the Inclusive Communities case fundamentally altered the analysis of disparate impact cases. As a result, it also rendered HUD's 2013 rule obsolete because the 2013 rule did not address the safeguards identified by the Supreme Court, according to the comments.

**The Supreme Court's decision in the Inclusive Communities case fundamentally altered the analysis of disparate impact cases. As a result, it also rendered HUD's 2013 rule obsolete because the 2013 rule did not address the safeguards identified by the Supreme Court, according to the comments.**

Although initially HUD took the position that its 2013 rule was consistent with the Inclusive Communities decision, the department eventually changed its position. In 2019, HUD proposed a new set of disparate impact regulations which attempted to update the 2013 rule to reflect the changes introduced by the Inclusive Communities decision. The 2019 proposal identified the safeguards discussed in the Inclusive Communities decision and revised the parties' respective burdens of proof to correspond with that decision's requirements. The industry partners also filed comments concerning the 2019 proposal.

At that time, the industry partners acknowledged the need to address the inconsistencies between HUD's rule and subsequent legal outcomes and generally supported the 2019 proposal. However, they identified additional elements that needed to be incorporated into the 2019 proposal to more fully adhere to the Inclusive Communities guidance and improve compliance efforts.

In September 2020, HUD published a new final disparate impact rule that went further than the 2019 proposal, imposing additional pleading obligations on plaintiffs. The changes made by the 2020 rule were sweeping in nature and addressed issues outside the scope of the Supreme Court's guidance in the Inclusive Communities decision. However, before that rule took effect, a federal district court entered an injunction staying implementation and enforcement of the 2020 rule.

Among other things, the district court pointed out that the 2020 rule incorporated several new terms and procedural requirements that were not found in the Supreme Court's guidance. That would only make disparate impact analysis more difficult in the future, concluded the comments.

"While questions remain about whether the 2019 proposal and the 2020 rule fairly addressed the concepts adopted in the Inclusive Communities decision, they rightly acknowledged that the 2013 rule was no longer viable and needed to be updated to reflect the consequences of that decision. The 2021 proposal, on the other

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hand, would essentially reinstate the 2013 rule without any significant changes to reflect Inclusive Communities and decisions since that time. As explained in the following section of these comments, it is inadequate to reimpose the 2013 rule without making necessary changes reflecting those changes wrought by Inclusive Communities. Courts, housing providers, and the public need a national disparate impact regulation that provides uniformity and equal treatment of all persons involved in disparate impact proceedings. Without proper review and revision of HUD's policy, courts and litigants will continue to develop disparate impact law outside of the HUD regulatory framework, creating challenges for timely and consistent fulfillment of fair housing requirements," according to the comments.

Courts and litigants have struggled to implement the Inclusive Communities decision, said the comments. To reduce this confusion, the industry partners suggest that HUD take the lead in making changes to the 2013 rule that incorporate the safeguards announced there.

"This can be done through modest changes to the 2013 rule that do not unfairly tip the scales towards either party. To be sure, Justice Kennedy vindicated the concept of disparate impact in FHA cases and felt that it served an important role in permitting 'plaintiffs to counteract unconscious prejudices and disguised animus that escape easy classification as disparate treatment.' But he was also unmistakably concerned about 'abusive' disparate impact cases that would frustrate the 'valid interests' of public agencies and private entities. Necessarily, Inclusive Communities will limit the claims of some plaintiffs, but if HUD takes the lead in implementing the safeguards, only 'abusive' claims will be restricted," state the comments.

The comments point out that Justice Kennedy's opinion did not offer a framework to allow courts and litigants to address these issues systematically. The industry partners said a review of a number of cases suggests that in the absence of such a framework, courts and litigants have struggled to address the concepts the Inclusive Communities decision requires. Courts have increasingly turned away from HUD's disparate impact regulations, apparently because it offers them no way to address the safeguards that the Inclusive Communities decision now requires them to consider.

"Courts are struggling with applying the Inclusive Communities standards into the framework of HUD's 2013 Disparate Impact rules. The Inclusive Communities decision clearly identified a number of safeguards to prevent abusive disparate impact cases, but it did not provide detailed explanations of those safeguards or provide a framework for how those safeguards should be applied by the courts. Since the Inclusive Communities decision, courts have been trying to develop a method of applying the safeguards in a way that would allow appropriate cases to proceed while sifting out 'abusive' cases. As a result, Inclusive Communities left it for the courts to flesh out and give meaning to the safeguards it adopted. The process has not been easy or simple," according to the comments.

The industry partners contend that the safeguards identified by the Supreme Court are not self-executing and require further elaboration, both with respect to what they require and how they should be implemented as courts consider disparate impact claims. That means that HUD should use the current rulemaking process not merely to reinstate its 2013 rule but to provide guidance to courts, administrative law judges, housing providers, and renters about how the Inclusive Communities safeguards apply to disparate impact cases.

According to the comments, courts have alternated between following the HUD regulations and applying the safeguards.

"In some cases, the courts struggled with a basic issue of whether to apply HUD's disparate impact rule at all. Thus, the courts acknowledge the existence of the HUD regulations, but in many cases, courts seem to treat the Inclusive Communities safeguards as an alternative standard for determining disparate-impact liability," the comments said.

No doubt, the courts' decision to ignore the 2013 rule reflects the fact that since the 2013 rule does not explicitly incorporate the Inclusive Communities safeguards, the 2013 rule is largely irrelevant to determining how to decide a disparate impact case at this point, the comments conclude.

"If a court has to choose between following HUD regulations or the Supreme Court, they will follow the Supreme Court. This suggests that if HUD wants its regulations to be something more than window-dressing, it needs to modify the regulations to affirmatively address the safeguards announced in the Inclusive Communities

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Courts and litigants have struggled to implement the Inclusive Communities decision, said the comments. To reduce this confusion, the industry partners suggest that HUD take the lead in making changes to the 2013 rule that incorporate the safeguards announced there.


What would you do with your time back?
Netflix & chill
Go to spin class
Date night
Do Some Yoga
Catch up with Sam
Book club - Tuesday at 7pm
Family dinner night
Watch the sunset
Train for a half marathon
myresman.com/nahmanews
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myresman.com
ResMan®
Affordable

decision," according to the comments.

The industry partners argue courts need additional guidance about how and when to apply the Inclusive Communities safeguards. According to the comments, federal procedural rules allow parties to file a motion to dismiss, which challenges the sufficiency of a complaint by arguing that even if all the facts in the complaint are true, they fail to state a legal claim. In that situation, it seems at least some of the safeguards—most often, the "robust causation" requirement—may properly be the basis of a motion to dismiss at an early phase of the case.

However, courts appear to be struggling with whether they are to subject disparate impact plaintiffs' causation theories to early scrutiny or to treat those theories like any other portion of the plaintiffs' burden of proof, the comments said.

Instead, courts are asking whether the plaintiff's pleadings—including its theory of causation—if taken as true, are sufficient to make out a prima facie case, as in any other motion to dismiss, according to the comments.

"This suggests that HUD's basic burden-shifting framework—where the burden is initially on the plaintiff to make out a prima facie case—is still valid, but that courts need additional guidance about how to address the plaintiff's burden at the motion to dismiss phase, especially with respect to the Inclusive Communities safeguards," according to the comments.

To properly update its disparate impact rule, HUD should clarify what each party must show to meet its burden, the comments suggest.

"We urge HUD to review the 2019 proposal again to fully determine what other changes are needed to update HUD's disparate impact regulations to appropriately reflect the outcome of the Inclusive Communities decision. … Those suggestions are pertinent to improving HUD's disparate impact regulations in general and in particular adhering more closely to the guidance provided by Inclusive Communities," the comments said. **NN**

To properly update its disparate impact rule, HUD should clarify what each party must show to meet its burden, the comments suggest.

# Grassroots Campaign Focuses On the Positive

NAHMA wants to shine a light on some of the good quietly happening around the country during the pandemic. Therefore, NAHMA asks members to submit stories and photographs highlighting the staff, volunteers, and residents going above and beyond during these difficult times.

Please share quantifiable information, for example, data on the number of vaccination clinics hosted/residents vaccinated, amount of emergency rental assistance requested/received, other resident support through prepayment agreements with residents, or special morale-boosting events. Feel free to submit any press releases.

The goal is to highlight the critical work that the affordable housing management industry has and continues to do during this pandemic while advocating for increased funding support from the administration.

There is no length requirement for submissions, so please share any information that you would like to highlight.

As always, NAHMA commits to protecting the identity of its members in discussion with the administration and lawmakers. Unless you give NAHMA permission, all stories will be listed under "NAHMA Member."

The information submitted may also be used for an occasional series published in *NAHP Update*. Please let NAHMA know if you are providing permission to have your story published in a future issue, and if so, please make sure you have permission to use any names and images included in your submission. The first set of shared stories were published in the fall 2021 *NAHP Update*, available in the Members Only section of the NAHMA website.

Separately, NAHMA also requests member participation in a video campaign to support the Low-Income Housing Tax Credit (LIHTC). For the LIHTC campaign, NAHMA is asking for member support in highlighting the critical role that LIHTC plays in communities across the country. The LIHTC campaign is being spearheaded by the ACTION coalition, of which NAHMA is a member. ACTION is asking for short video clips (two minutes or less) demonstrating "how the housing credit allows you to do the work you do and impacts your community and the people you serve. The videos will help connect the real-life impact of the housing credit and the need for Congress to strengthen and expand it through the Affordable Housing Credit Improvement Act." For additional information on this effort, including How it Works, Submission Instructions, and Video Tips, visit https://rentalhousingaction.org/blog/2021/7/9/action-video-contest-share-your-housing-credit-stories.

If you have great stories or photos to share, please send them to Michal Machnowski, NAHMA government affairs manager, mmachnowski@nahma.org. **NN**

The goal is to highlight the critical work that the affordable housing management industry has and continues to do during this pandemic while advocating for increased funding support from the administration.

## NAHMA Launches New XML Data Standard Work Group

**NAHMA, JED GRAEF, BUSINESS DEVELOPMENT MANAGER at HDS Software, and Paul Perpich, director of software development at Spectrum Enterprises and current NAHMA XML Transfer Data Group moderator, worked with Ryan Kim, director of product marketing at ProLink Solutions, to replace the Yahoo LIHTC Standards Forum that was shut down in the fall of 2019.**

**When Yahoo shut down the original forum, it provided access to posts, files, and messaging; however, it did not provide the email list of the 100-plus participants. Consequently, NAHMA has been reaching out to its entire email list in an effort to reach previous participants.**

**Anyone wishing to continue participation or to join the NAHMA XML Transfer Data Group forum for the first time, visit www.procorem.com/nahma-signup-page/. Contact Ryan Kim by emailing rkim@prolinksolutions.com for support.**

**For archived information about the "State HFA-LIHTC Data Transfer Standard" (aka NAHMA LIHTC XML Data Transfer Standard), visit https://www.retall.org/state-housing-finance-agency-low-income-housing-tax-credit-data-transfer-standard/. This information site was accessed through the previous Yahoo link, and it will no longer be updated.**

**The links to the standard documentation are valid, except that a link to version 6.0 published on Sept. 26, 2019, has not yet been posted.**

If you wish to continue your participation or join the forum for the first time, visit www.procorem.com/nahma-signup-page/ to register. Contact Ryan Kim by emailing rkim@prolinksolutions.com for support.

Habitational Risk Solutions

# Professional Liability with Tax Credit Coverage

## Innovative Professional Liability Coverage for Affordable Housing Markets

USI is pleased to offer a new professional liability coverage tailored for affordable housing markets. Our team understands the importance of tax credits for affordable housing management companies to operate successfully. Failure to comply with the Low-Income Housing Tax Credit (LIHTC) regulations can lead to recapture of previously given credits and ineligibility for future credits. Our newly developed coverage, placed through a preferred carrier, includes coverage for professional services related to the compliance with housing tax credit rules and regulations.

## Policy Highlights

To meet the growing needs of affordable housing markets, our tax credit coverage includes:

- Coverage for professional services related to compliance with housing tax credit rules and regulation
- Up to $5,000,000 General Aggregate limits
- Claims Made form to protect against retroactive tax credit loss exposures
- Broad definition of professional services covered including residential, commercial, retail, or industrial property management and construction management
- Coverage for ownership of properties in excess of 25%
- First Dollar Defense coverage
- Third Party Discrimination coverage
- Definition of employees includes Independent Contractors
- Expanded definition of claim to include: arbitration demand, administrative proceeding, and request to toll the statute of limitations

## Proactive Risk Management Strategies

We provide proactive risk management strategies to:

- Management Companies
- Affordable Housing
- Senior Housing
- Coastal Locations
- Developers

## The USI ONE Advantage®

To analyze our client's business issues and challenges, our property & casualty team leverages USI ONE®, an interactive platform that integrates proprietary and innovative client solutions, networked local resources and expertise, and enterprise-wide collaboration to deliver customized results with positive, bottom line impact.

## How can we help?

For more information, please contact:

Trent Iliff | VP, National Habitational Practice
USI Insurance Services | www.usi.com
trent.iliff@usi.com | 312-848-3626

VANGUARD AWARDS

# Honoring the Vanguard Of Affordable Housing

WINNERS OF THIS YEAR'S AFFORDABLE HOUSING VANGUARD AWARDS WERE RECOGNIZED during a virtual session at the NAHMA Biannual Top Issues in Affordable Housing fall conference in October. These awards recognize newly developed or significantly rehabbed affordable multifamily housing communities that showcase high-quality design and resourceful financing.

The excellence exhibited throughout these multifamily developments belies the notion that affordable housing cannot be assets to their communities. Vanguard Award winners deliver powerful proof that affordable housing done well can transform neighborhoods as well as the lives of individual residents.

## THE 2021 WINNERS ARE:

**Vanguard Award for New Construction**

*Small Property (less than 100 units)*: Harmon Apartments, Dorchester, Mass; Management Company: Peabody Properties Inc.; Owner: The Boston Home, Boston, Mass.

*Large Property (more than 100 units)*: Boston Heights Apartment Homes, Benbrook, Texas; Management Company: Asset Living; Owner: BB Villas at Boston Heights Housing LP, Dallas, Texas.

**Vanguard Award for Major Rehabilitation of an Existing Rental Housing Community**

LaBelle Towers Co-op, Highland Park, Mich.; Management Company: CSI Support & Development Services Inc.; Owner: LaBelle Towers Limited Dividend Housing Association LP, Warren, Mich.

## THE VANGUARD AWARDS:

- Demonstrate that exceptional new affordable housing is available across the country;
- Demonstrate that the affordable multifamily industry is and must be creative and innovative if such exceptional properties are to be built given the financial and other challenges to development;
- Highlight results of the private/public partnerships required to develop today's affordable housing; and
- Share ideas for unique design and financing mechanisms with industry practitioners to further stimulate creative development in the affordable multifamily industry.

The judges of this year's Vanguard Awards were distinguished NAHMA members from across the country: Noel Gill, NAHP-e, SHCM, CPO, executive vice president of Northwest Real Estate Capital Corp.; Michael Johnson, SHCM, NAHP-e, executive vice president of Alco Management Inc.; Jim McGrath, SHCM, NAHP-e, chairman of the board of PRD Management Inc.; and Gianna Solari Richards, SHCM, NAHP-e, president of Solari Enterprises Inc.

For additional details on the NAHMA Vanguard Award winners and program, visit https://www.nahma.org/awards-contests/vanguard-awards/.

OPPOSITE CLOCKWISE FROM TOP: Boston Heights Apartments Home; LaBelle Towers Co-op; Harmon Apartments

*Photos courtesy of the Vanguard Award winners*

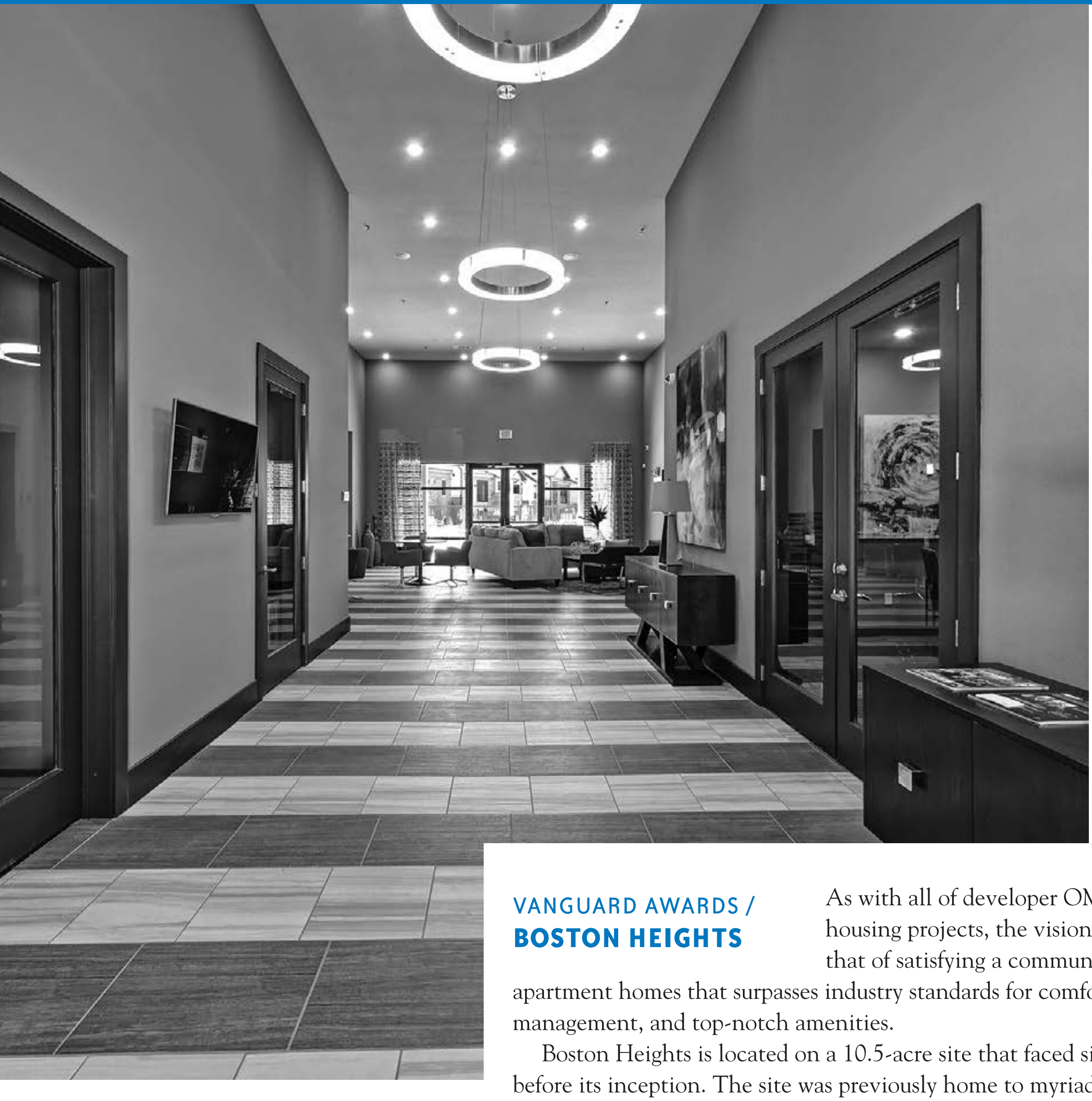
VANGUARD AWARDS /

## HARMON APARTMENTS

Harmon Apartments was inspired by Cordelia Harmon, who founded The Boston Home (TBH) in 1881, a one-of-a-kind community serving adults with advanced multiple sclerosis and similar progressive neurological diseases. In 2013, knowing that a need existed for supportive affordable housing for people with progressive diseases and mobility impairments, TBH initiated the effort to build Harmon Apartments, an affordable and fully accessible apartment building for adults with disabilities in Dorchester, Mass. Teaming up with experienced development partner, Affirmative Investments, TBH found support from its many stakeholders, including disability advocates, neighbors and neighborhood associations, and most importantly, civic leaders at the city of Boston and the commonwealth of Massachusetts. In May 2019, Harmon Apartments opened its doors with 36 apartments. Located on The Boston Home campus, the innovative community expands the programs developed by The Boston Home, supplying integrated technology and supportive services to residents.

Providing a range of on-site programs and services, including services sponsored by The Greater New England Chapter of the National Multiple Sclerosis Society, Harmon Apartments boasts open-concept living with accessible design features. The apartments exceed the Americans with Disabilities Act (ADA) standards and include contemporary kitchens with Energy Star appliances, modern fixtures, spacious floor plans, and beautiful finishes.

The $18.13 million development utilized state and federal Low-Income Housing Tax Credit equity. The project was completed on time and within budget.



## VANGUARD AWARDS / **BOSTON HEIGHTS**

As with all of developer OM Housing's multifamily housing projects, the vision for Boston Heights was that of satisfying a community need for affordable apartment homes that surpasses industry standards for comfort, aesthetics, resource management, and top-notch amenities.

Boston Heights is located on a 10.5-acre site that faced significant challenges before its inception. The site was previously home to myriad undesirable activities such as prostitution, drug use, and unsheltered encampments erected by homeless individuals. Though it may seem counterintuitive, these circumstances further crystallized the overriding goal in creating Boston Heights: pushing back against—and hopefully negating—the "Not In My Back Yard (NIMBY)" concept by establishing apartments that improve and enrich their surrounding community.

Safety and security were top priorities. Boston Heights' site design was shared with the local police department to clean up design-based security problems. Crime Prevention Through Environmental Design concepts, along with perimeter fencing with controlled access gates and 30-plus HD cameras, were provided campuswide to ensure resident safety.

This project boasts a plethora of amenities and residential services, including an extra-large clubhouse with a community center, kitchen, and audio-visual equipment for social events, along with separate spaces for business, fitness, and children's activities. There is also a pool with a water feature, barbecue grills, playscapes, and lush landscaping. The 144 apartments include energy-efficient appliances, low emissivity windows, spacious kitchens with deep counters, constant fresh airflow from energy recovery ventilation systems, and healthy construction materials.

VANGUARD AWARDS /

## LABELLE TOWERS CO-OP

CSI Support & Development Services Inc. first developed LaBelle Towers Co-op in 1973, using the Department of Housing and Urban Development (HUD)'s Section 236 program. The property has since been cooperatively managed by the residents with professional support from CSI. LaBelle Towers is in Highland Park, Mich., a city surrounded by the city of Detroit. This service-rich neighborhood is excellent for seniors: full-service shopping, including grocery and pharmacy, and public transportation are within walking distance.

Starting in 2016, CSI's development and management team began working toward the collective goals of completing a large-scale renovation project to meet the property's long-term needs and to ensure the project is physically and financially viable for the foreseeable future. Additionally, CSI's management team met with the resident/members of LaBelle to hear their concerns for their home and their suggestions for reinvestment. In developing the project scope, careful attention was paid to capital projects that enhance residents' comfort and safety and reduce future maintenance and energy costs.

To achieve this goal, the rehab included redesigning the HVAC system to provide individual unit controls; installing new unit kitchens and baths; improving building accessibility and safety; and reconfiguring all interior and exterior common area spaces to allow for effective social service delivery and to create more and better-functioning building spaces. **NN**

# JCHS Report Suggests Economy Needs More Government Support

NAHMA published a NAHMAnalysis examining *The State of the Nation's Housing 2021*, a recent report published by the Joint Center for Housing Studies of Harvard University (JCHS), assessing the housing and rental markets, demographic trends, and housing challenges faced by households in the United States. According to the JCHS report, as the U.S. economy recovers from the effects of the pandemic, home sales will continue to rise as some families use savings built up during the pandemic combined with very low-interest rates to purchase new homes. Others, however, have been locked out of opportunities to purchase a home due to increased prices from high demand. Moreover, many renters and homeowners continue to struggle with billions of dollars in back rent owed, unpaid mortgages and are at risk of eviction or foreclosure. Families of color and households with low incomes comprise a disproportionately large share of those at risk. With many renters and property owners still struggling with recovery, the JCHS report recommends that further government support, in addition to the relief measures taken so far, will be necessary to ensure that both households and landlords benefit from a rebounding economy.

## DECLINES IN RENTAL PAYMENTS

At the onset of the COVID-19 pandemic, NAHMA reported that rental markets had already started tightening, and concerns about affordability were rising despite a slowdown in demand and the increase of new construction. In the previous decade, rents had risen faster than incomes in many segments of the market—increasing the number and share of cost-burdened and severely cost-burdened renters, hitting low- and middle-income earners especially hard.

The pandemic only exacerbated the ability for many families to afford their housing as millions of workers' incomes were reduced or eliminated due to the business shutdowns in early 2020. One year later, in March of 2021, 51% of renters reported having lost income due to the pandemic.

Due largely to accruing income losses, many renters found themselves without the ability to make full or partial payments at the start of 2021. About 14% of renters still owed back rent in late March of 2021, with low-income and minority renters most likely to be in arrears. In September 2020, about a quarter of rental properties reported having tenants that could not make full or partial payments. Five months later, in February 2021, 61% of rental property owners stated they had lost at least $5,000 in rental income.

Rent shortfalls for smaller property owners also are projected to continue into the near future. For landlords who manage buildings with four or fewer units, 17% of renters reported a decrease in rental payments as of March 2021. For single-family homes, 18% reported being in arrears.

Many households that owed back rent and were still unable to make total rent payments in early 2021 were located primarily in the South. The JCHS report ranked Mississippi first, reporting about 27% of renters were behind on their payments, followed by Delaware, Louisiana, Alabama, and Georgia. This may be partly due to lower-than-average median incomes coupled with higher-than-average shares of renter households of color, a segment of the population that was more likely to have lost economic income due to the fallout from the pandemic.

Areas where the local economies are less reliant on service industries and housing cost burdens are comparatively low had the smallest share of renters behind on their rental payments. The JCHS report put Idaho at the top of its ranking, citing just 10% of renters behind on their rent, followed by Montana, North Dakota, and Utah.

According to the JCHS report, in the 15 metro areas tracked by the Household Pulse Survey, four cities—Houston, New York, Chicago, and Philadelphia—reported having renter households in arrears at or above 20%. Phoenix reported the lowest share, with about 11% of renters owing back rent. Several cities with higher living costs, such as Washington, D.C., Seattle, Boston, and San Francisco, also reported having low shares of renters behind on rent payments. The relatively small share of households behind on their rent in these high-cost markets was attributed largely to renters having higher incomes.

## RENTAL MARKETS BEGIN TO STABILIZE WITH DIVERGING TRENDS IN SUBMARKETS

At the start of the pandemic, the share of U.S. households renting their housing was showing signs of slowing down, even dipping to 35.2% in the first quarter of 2020—its lowest point in six years. However, while overall rental demand has indeed slowed in recent years, housing data indicated that the number and share of higher-income renters were actually on the rise—7.9 million renter households were added between 2004 and 2019, bringing the total number to 44 million. With higher-income households driving over half of this growth, the number of renter households with incomes of at least $75,000 increased by 4.6 million from 2004 to 2019, and their share of renter households jumped from 18% to 26%.

*continued on page 22*

To read the State of the Nation's Housing 2021 NAHMAnalysis in its entirety, log into the Members Only section of www.nahma.org.

However, as the pandemic worsened, rental demand fell sharply, with significant declines, especially in New York and San Francisco. The JCHS report stated that when comparing the first quarter annualized growth to the second quarter of 2020, demand in occupied units was reduced by 157,000, from 3330,000 units to 176,000.

Following several pandemic-related economic recovery efforts by federal and state governments, the number of renter households has seemed to stabilize. The record number of renter households was attained in 2016, with 43.5 million. This year may see that record broken, with 43.4 million renter households already reported in the first quarter of 2020.

When rental demand decreased last year in urban areas due to the pandemic, it increased in suburban markets. According to the JCHS report, when analyzing recent CoStar data for professionally managed apartments, vacancy rates in prime urban neighborhoods increased by 3 percentage points in 2020—from 7.2 to 10.0—before decreasing to 9.6% early this year.

## LARGE MULTIFAMILY CONSTRUCTION HOLDS STEADY

Before the start of the national lockdown measures to help combat the virus, the construction of multifamily housing at the beginning of 2020 was above the previous year's pace. Multifamily housing starts fell sharply during the lockdown. Still, they made a quick and strong comeback, lifting year-to-date starts in September above those in the same period in 2019, which was already the strongest year for multifamily construction in three decades. However, given the lengthy development process, a falloff in multifamily volumes would lag behind any drop in demand for new rentals. A concerning indicator that multifamily construction was heading for a slowdown in 2021 was that permitting activity was down 10% from the previous year's levels through September 2020.

Multifamily rental construction was concentrated mainly in larger buildings during the years leading up to the pandemic. Completions for new multifamily buildings with 50 units or more hit a peak of 62% in 2018. The recent pace of multifamily rental construction indicates that this trend is to continue in the near term. In 2020, 56% of all new multifamily buildings constructed had 50 units or more.

Another factor that indicates multifamily construction of larger buildings will continue is that initial construction of units in buildings with five or more apartments increased by 87,000 between the last quarter of 2020 (342,000 units) and the first quarter of 2021 (429,000 units). As construction in 2021 continues, the starts of new multifamily apartments are on pace to exceed the 1987 record of 400,000 units.

## MAINTENANCE BACKLOGS REMAIN AMID AGING RENTAL STOCK

Even when accounting for the continued strength of multifamily construction, the current rental stock is getting older, with many units in a state of disrepair. According to the JCHS report, about 39% of renter households live in housing built before 1970. These aging units are likely to show signs of structural deficiencies and may also expose renters to health hazards, such as lead or asbestos. These aging units also lack energy efficiency technology, are prone to damage from a natural disaster like flooding or climate change, and usually lack newer accessibility features for the elderly or residents with disabilities.

The JCHS report stated that for renter households located in the Northeast, more than 60% live in apartments at, or over, 50 years old. For households in the Midwest, 45% live in units that are at least 50 years old. The next highest share of renter households living in older units is in the Midwest, with about 45% living in buildings over 50 years old. The trends for the West (34%) and South (27%) are much lower. In a 2019 analysis conducted by the Federal Reserve Bank of Philadelphia and Policy Map, the JCHS report estimates the cumulative cost of fixing up rental housing deficiencies close to being around $45 billion, with median repair needs of $1,355 per unit.

**Rent shortfalls for smaller property owners also are projected to continue into the near future. For landlords who manage buildings with four or fewer units, 17% of renters reported a decrease in rental payments as of March 2021. For single-family homes, 18% reported being in arrears.**

## RACIAL AND ECONOMIC DISPARITIES PERSIST

According to the JCHS report, the brunt of negative economic consequences resulting from the pandemic was felt primarily by renters in the lowest income brackets. Due to losses in income, 17% of renter households were in arrears at the onset of 2021. This includes almost 25% of renters who earn less than $25,000 per year and about 20% who earn between $25,000 and $34,999. The JCHS report indicated that most renter households behind in their rent payments were also households of color. 29% of Black renters, 21% of Hispanic renters, and 18% of Asian renters were in arrears compared to only 11% of white renters.

Finding affordable housing continues to remain a challenge for renters in the lowest income brackets. The JCHS report indicated that more than 80% of renters earning less than $25,000 were cost-burdened in 2019 (spending over 30% of their income on housing), and the majority spent more than half their income on housing. More than three-fifths of renter households whose income ranged between $25,000 and $34,999 and about half of renter households with incomes between $35,000 and $49,999 reported being cost-burdened. While housing subsidies offer much-needed support for these population segments, only a quarter of eligible households receive federal housing assistance.

### MILLIONS POTENTIALLY FACE RISK OF EVICTION

As a result of widespread income losses experienced during the pandemic, millions of renters struggle to make their housing payments, placing themselves further in an economically precarious position. Before the pandemic, families experiencing financial hardships and who currently continue to be severely housing cost-burdened, spending more than half of their incomes on housing, face a heightened risk of housing instability or possible eviction.

With the federal government providing rental assistance relief and implementing a nationwide moratorium on evictions, the fallout from the pandemic has been less severe than initially predicted. But as the economy continues to recover, many renters and landlords will still need access to rental assistance in the short term.

Homeowners also received assistance from the federal government, including providing loan forbearances up to 18 months on federal loans and instituting a moratorium on foreclosures. The JCHS report states that more than half of the 7.1 million loans that had entered forbearance had left that status as of this March.

The JCHS report stated that most of the 7.1 million loans that had entered forbearance had left that status as of March of this year. However, the report also indicated that specific outcomes are still uncertain, including 2.3 million individual borrowers who have yet to resume their mortgage payments. This shows that many households are still unable to recover fully from the economic losses accrued during the pandemic.

### POLICYMAKERS NEED TO KEEP THOSE AT-RISK FROM FALLING FURTHER BEHIND

Initially, rental demand dropped sharply in high-cost prime urban markets in March 2020, mainly attributed to the pandemic-imposed shutdowns. Many renter households left the large metro areas for suburbs or smaller, lower-cost markets. However, this trend seemed to reverse in the first couple of months of 2021. The recent increase in urban rental demand is due primarily to a reviving economy—evident in rents increasing and vacancy rates decreasing in many markets.

However, the road to recovery is still plagued with uncertainty. Millions of households are still struggling to cover their rent or mortgage obligations. Low-income renters are still having difficulties in ensuring they can make their rental payments on time. Racial disparities continue to persist even as the economy starts showing signs of recovery, and many lower-income households of color are still struggling to emerge from the crisis. Even though Congress has approved assistance in the form of rental relief, the rollout has been slow and cumbersome. With the recovery still in progress, and millions still facing economic hardships, including the inability to make their total housing payments on time, policymakers must be attuned to the needs of those who have fallen or remained behind on their rental or housing obligations. Ultimately, it will be up to federal and state leaders to ensure that no one is left behind and those most in need have timely access to rental relief. **NN**

## NAHMA October In-Person Meeting Reverts to Virtual Gathering

**NAHMA moved its October Biannual Top Issues in Affordable Housing fall conference to an online platform. Due to the ever-changing situation resulting from the ongoing pandemic, the NAHMA Board of Directors voted on Sept. 13 to cancel the previously announced in-person meeting in favor of transitioning to a virtual gathering instead. When the board initially decided to go ahead with the in-person meeting in July, COVID-19 infection rates were trending significantly downward. With the emergence of coronavirus variants and increasing numbers of infections nationally, the board decided to hold a virtual meeting out of an abundance of caution for NAHMA members and invited guests.**

**The multiday event took place from Oct. 19-22 and focused on virtual panels concentrating on the top issues facing affordable housing and educational sessions on topics for today's world. The virtual event was held in place of the typical in-person event held each October in Washington, D.C.**

**NAHMA would like to thank platinum sponsors, Buyers Access, HD Supply Multifamily Solutions, and USI Insurance Services; gold sponsors, RealPage, ResMan, and Yardi; silver sponsor, Auto-Out; and bronze sponsor, Dauby O'Connor & Zaleski LLC for making the NAHMA meeting possible.**

**Look for details and photographs from the meeting in the November/December *NAHMA News*.**

# NAHMA Educational Foundation Announces 2021 Scholarships

**The NAHMA Educational Foundation has selected 87 student residents to receive scholarships this year. Each scholarship is worth $3,500, and the total amount of scholarship money awarded this year is $304,500. Additionally, $2,000 will be donated to the Real Estate Management Department at Virginia Tech for scholarships for students pursuing their bachelor's degree in property management.**

**This year's class of NAHMA scholars comes from 19 different states and the District of Columbia and represents 12 regional Affordable Housing Management Associations (AHMAs). The 2021 scholars, including their community, management company, school, grade, and major, are listed according to their AHMA.**

**AHMA of East Texas**

Adelmira Cortes
Yale Village, Houston, Texas
Michaels Management - Affordable
University of Houston-Downtown
Sophomore
Accounting

Elijah Hawkins
Fawn Ridge Apartments, The Woodlands, Texas
Ledic Realty Company
Texas A&M University
Senior
Computer Science

**AHMA of Washington**

Shueb Adan
Lake Washington, Seattle, Wash.
FPI Management
University of Washington, Seattle
Sophomore
Information Technology

Hermela Milash
Lake City Courts, Seattle, Wash.
Seattle Housing Authority
Lake Washington Institute College
Freshman
Dental Hygiene

Samsam Mohamud
New Holly, Seattle, Wash.
Seattle Housing Authority
University of Washington, Seattle
Junior
Medical Anthropology

Lauren Morales
Sterling Meadows, Bellingham, Wash.
Mercy Housing Northwest
University of Washington, Seattle
Junior
Public Health

Esmeralda Vazquez-Sagrero
Sterling Meadows, Bellingham, Wash.
Mercy Housing Northwest
Seattle Pacific University
Sophomore
Physiology

Tuyet-Nhi Vo
New Holly, Seattle, Wash.
Seattle Housing Authority
Western Washington University
Junior
Human Sciences

**AHMA-NCH**

DaJe Carter
Union Court Apartments, Manteca, Calif.
Eden Housing
San Joaquin Delta College
Junior
Mathematics/Elementary Education

Vyacheslav Gevorkyan
Howard Street Apartments, San Francisco, Calif.
Mercy Housing Management Group
University of California, Irvine
Junior
Business Administration

Aaqib Ismail
Shelter Hill Apartments, Mill Valley, Calif.
EAH Housing
University of Southern California
Senior
Computer Science

Ying Qi Li
Kukui Towers, Honolulu, Hawaii
EAH Housing
Boston College
Freshman
Biochemistry

Janie Lopez
Maywood Apartments, Corning, Calif.
Michaels Management - Affordable
University of California, Chico
Sophomore
Nursing

Rachel Lu
Kukui Towers, Honolulu, Hawaii
EAH Housing
University of Hawaii at Manoa
Freshman
Accounting/Finance

Amanda Malubay
Kenolio Apartments, Kihei, Hawaii
EAH Housing
University of Hawaii Maui College
Sophomore
Nursing

Ashlee McCallum
Los Robles Apartments, Union City, Calif.
EAH Housing
Sonoma State University
Freshman
Health Sciences

Kai Murad
Villages of Moa'e Ku, Ewa Beach, Hawaii
EAH Housing
Windward Community College
Freshman
Veterinarian Science

Christina Spektor
Oak Manor Townhouses, Palo Alto, Calif.
Alta Housing
University of San Diego
Senior
Psychology

Alana Stull
California Park Apartments, Palo Alto, Calif.
Alta Housing
Rice University
Freshman
Entrepreneurial Science

Rahmatullah Yousafzai
Cochrane Village, Morgan Hill, Calif.
EAH Housing
San Jose State University
Junior
Aviation Technology

**AHMA-PSW**

Moody Adli
Tobias Terrace Apartments, Panorama, Calif.
Solari Enterprises Inc.
California State University, Northridge
Junior
Civil Engineering

Andrea Alvarez
Jefferson Square, Los Angeles, Calif.
Thomas Safran & Associates
Dickinson College
Junior
Psychology

Brandon Davis
Lake Ellen Village, West Covina, Calif.
Thomas Safran & Associates
Irvine Valley College
Freshman
Kinesiology

Amilcar Fuentes
Los Lomas Gardens, La Habra, Calif.
GK Management Co. Inc.
Fullerton College
Freshman
Political Science

Shafiga Saeed
Burnett Apartments, Long Beach, Calif.
Western Seniors Housing
California State University, Long Beach
Senior
Speech Pathology

Salim Shabiby
Long Beach & Burnett Apartments, Long Beach, Calif.
WSH Management
California State University, Long Beach
Sophomore
Mechanical Engineering

Sirmaj Singleton
Los Lomas Gardens, La Habra, Calif.
GK Management Co. Inc.
San Diego State University
Freshman
Aerospace Engineering

Jennifer Uskolovsky
Redwood Village Apartments, Marina Del Rey, Calif.
Thomas Safran & Associates
University of California, Los Angeles
Sophomore
Communications

**JAHMA**

Raphael Armenti
Valley Brook Village, Basking Ridge, N.J.
Peabody Properties Inc.
Rutgers University
Senior
English

Alasja Harvey
Triangle Village, Paterson, N.J.
Community Realty Management
Penn State University
Sophomore
Criminal Justice

De'Asia Jones
Eggerts Crossing Village, Lawrenceville, N.J.
PRD Management
Caldwell University
Sophomore
Nursing

Anna Jorge
City Crossing Apartments, Jersey City, N.J.
WinnResidential
College of New Jersey
Freshman
Secondary Education

Juliet Malkowski
Princeton Community Village, Princeton, N.J.
Princeton Community Village
University of Vermont
Junior
Environmental Engineering

Oliver Malkowski
Princeton Community Village, Princeton, N.J.
Princeton Community Village
The College of New Jersey
Freshman
Communications

Shakur McGuire
Triangle Village, Paterson, N.J.
Community Realty Management
Passaic County Community College
Sophomore
Nursing

Lyneera Moore
The Greens II, Lindenwold, N.J.
Community Realty Management
Rowan University
Freshman
Psychology

Ashley-Maacah Muflam
Princeton Community Village, Princeton, N.J.
Princeton Community Village
Rutgers University, New Brunswick
Junior
Information Technology

Domanrovil Ovalle
Barbara Place, Jersey City, N.J.
Michaels Management - Affordable
Liberty University
Senior
Information Systems

Zainab Qureshi
Princeton Community Village, Princeton, N.J.
Princeton Community Village
Rutgers University
Junior
Biotechnology

Janki Raythattha
Princeton Community Village, Princeton, N.J.
Princeton Community Village
New York University
Sophomore
Nutrition and Dietetics

Fatima Raza
Princeton Community Village, Princeton, N.J.
Princeton Community Village
New Jersey Institute of Technology
Junior
Architecture

Sakina Raza
Princeton Community Village, Princeton, N.J.
Princeton Community Village
Rutgers University
Sophomore
Leadership & Management

Zin Tun
Princeton Community Village, Princeton, N.J.
Princeton Community Village
Cornell University
Sophomore
Civil Engineering

**MAHMA**

Said Abdalla
Faith Village Apartments, Columbus, Ohio
Wallick Communities
Franklin University
Senior
Information Technology

Amir Evans
Homeport, Columbus, Ohio
Community Properties of Ohio
University of Dayton
Sophomore
Pre-dentistry

**Mid-Atlantic AHMA**

Dayona Foster
Kenyon Street, Washington, D.C.
CIH Properties
University of District of Columbia
Senior
Nursing

Elijah Grant
Fieldstone Apartments, Blacksburg, Va.
Park Properties Management Company
Virginia Tech
Freshman
Engineering

Kaila Hodge
Bywater Mutual Homes, Annapolis, Md.
Quantum Real Estate Management
Towson University
Sophomore
Pre-law

Vijay Jayamani
Lee Overlook Apartments, Centerville, Va.
Grady Management Inc.
George Washington University
Freshman
Mechanical Engineering

Damante' Maddox
Bywater Mutual Homes, Annapolis, Md.
Quantum Real Estate Management
Bowie State University
Junior
Computer Science

Ciani Ricks
Westbury Homes, Portsmouth, Va.
Portsmouth Redevelopment and Housing Authority
University of North Carolina, Greensboro
Sophomore
Human Development

Kayla Washington
Westbury Pine, Portsmouth, Va.
Portsmouth Redevelopment and Housing Authority
James Madison University
Freshman
Criminal Justice

**NEAHMA**

Wanyi Chen
Tai Tung Village, Boston, Mass.
WinnResidential
Boston University
Senior
Statistics/Computer Science

Wendy Chen
Charles Newtown, Boston, Mass.
WinnResidential
University of Massachusetts, Amherst
Freshman
Biology

Shahnawaz Fakir
Fresh Pond Apartments, Cambridge, Mass.
The Schochet Companies
Boston University
Freshman
Computer Science

Tracy Freire
The Pines, Brockton, Mass.
Beacon Communities
University of Massachusetts, Lowell
Junior
Pharmaceutical Science

William Grimes
Marcus Garvey Apartments, Boston, Mass.
SHP Management
New England Conservatory of Music
Senior
Jazz

Emerald Gunawan
Market Mills Apartments, Lowell, Mass.
Peabody Properties Inc.
Rensselaer Polytechnic Institute
Sophomore
Architecture

Amina Khokhar
Hockanum Apartments, East Hartford, Conn.
East Hartford Housing Authority
Albertus Magnus College
Junior
Art Management

Sobia Khokhar
Hockanum Apartments, East Hartford, Conn.
East Hartford Housing Authority
Clark University
Senior
Psychology/Management

Stephen Li
Castle Square Apartments, Boston, Mass.
WinnResidential
Boston College
Freshman
Environmental Studies

Fiona Liao
Castle Square Apartments, Boston, Mass.
WinnResidential
Northeastern University
Sophomore
Environmental Studies

Winnie Mei
Charlesview Residence, Brighton, Mass.
Peabody Properties Inc.
Boston University
Senior
Mathematics

Princess Nuah
HRI Matheson Apartments, Worcester, Mass.
WinnResidential
Worcester State University
Junior
Public Health

Destiny Sims
Monterey Place, New Haven, Conn.
Beacon Communities
Albertus Magnus College
Junior
Psychology

Grace Tsoi
Castle Square Apartments, Boston, Mass.
WinnResidential
University of Massachusetts, Amherst
Sophomore
History

Richard Zhao
Castle Square Apartments, Boston, Mass.
WinnResidential
Suffolk University
Sophomore
Computer Science

**Oregon AHMA**

Pahoua Yang
Cherry Creek, Medford, Ore.
Housing Authority of Jackson County
Oregon Health & Science University
Sophomore
Nursing

**PennDel AHMA**

Felicia Ballard
Park Spring Apartments, Spring City, Penn.
Michaels Management - Affordable
West Chester University
Junior
Social Work

Sebastian Velazquez
Park Spring Apartments, Spring City, Penn.
Michaels Management - Affordable
Penn State University
Junior
Biology

**Rocky AHMA**

Haley Maxwell
Suncrest Apartments, Provo, Utah
Community Housing Services
Brigham Young University
Senior
Dietetics

Suong Nguyen
Terraza Del Sol, Denver, Colo.
Ross Management & Consulting
Metropolitan State University of Denver
Junior
Accounting

Jacob Nisson
Black Hills Apartments, Saint George, Utah
Community Housing Services
Dixie State University
Sophomore
Accounting

Madelein Owen
Equinox Apartments, Missoula, Mont.
Tamarack Property Management
Sessions College
Freshman
Art

Jesse Poling
Council Groves Apartments, Missoula, Mont.
Tamarack Property Management
Missoula College
Junior
Nursing

Quinn Preece
Suncrest Apartments, Provo, Utah
Community Housing Services
Brigham Young University
Junior
Public Health

**SAHMA**

Kalene Camile
Abbey Lane Apartments, Winter Haven, Fla.
Michaels Management - Affordable
Polk State University
Sophomore
Liberal Arts

Madonna Gage
Meadow Oaks Apartments, Jacksonville, N.C.
Westminster Company LLC
Coastal Carolina Community College
Sophomore
Early Childhood

Kayleigh Hollingsworth
Countryside Townhouses, Clinton, S.C.
CAHEC
Newberry College
Freshman
Criminal Justice

Jeremiah Johnson
Oxford Townhouses, Huntsville, Ala.
Oxford Properties
Alabama A&M University
Senior
Secondary Education

Miriam Lewis
John Madison Exum Towers, Memphis, Tenn.
TESCO Properties
University of Memphis
Junior
Electrical Engineering

Avaja Rice
Crestwood Forest Apartments, Greenville, S.C.
Westminster Company LLC
Winthrop University
Junior
Secondary Education

Saharra Stone
Country Ridge Apartments, Walhalla, S.C.
CAHEC
College of Charleston
Sophomore
Exercise Science

Sarah Walker
Mingo Village Apartments, Knightdale, N.C.
CAHEC
Wake Technical Community College
Sophomore
Accounting/Finance

Keeyah Walton
Clearwater Village Apartments, Clearwater, S.C.
Westminster Company LLC
University of South Carolina, Aiken
Junior
Biology

Crystal Ware
Valley Garden Apartments, Huntsville, Ala.
Oxford Properties
Oakwood University
Senior
Biology

Marcus Woodberry
Westview Valley Apartments, Greensboro, N.C.
Westminster Company LLC
North Carolina A&T University
Freshman
Nursing

# NAHMA Scholars: Goal-Driven, Successful Achievers

The 2021 class of NAHMA scholars all seem to have a sense of what they want to achieve and a pragmatic plan to proceed toward their goal. They are committed to advancing toward their educational objectives with diligence and resolve. Many have arrived at the trailhead of the 2021/2022 school year from different routes following the completion of high school equivalency diplomas, associate degrees, or previous relevant work experiences related to their ultimate career goals. They have been successful students in the past, and the NAHMA Educational Foundation believes they can rise to the occasion again. Below are seven biographical sketches that may provide insight and understanding into our NAHMA scholars as goal-driven students determined to be high achievers.

**This 41-year-old single mother of five lives at Yale Village in Houston, Texas.** She has a General Educational Development (GED) diploma and just completed her associate degree in accounting in May of 2021. She enters the University of Houston-Downtown campus with a 2.78 GPA, where she will continue her accounting studies. Additionally, she has 10 years of experience working at an accounting firm. By finishing her bachelor's degree, she will accomplish two things essential to her: she will advance her career to a higher level, and she will continue to be an excellent academic role model for her children.

**As a veteran of United States military service, this NAHMA scholar resides at Valley Brook Village, Veterans Affairs (VA) supportive housing for homeless veterans, located on the grounds of a VA hospital in Basking Ridge, N.J.** Having already completed an associate degree, this 55-year-old is a senior at Rutgers University majoring in English with a 3.63 GPA. He anticipates graduating in May of 2022. He is a multiple-year NAHMA scholarship recipient. His steadfast and unwavering focus is on his studies and researching possible career options that lie ahead for him. Both his job coach and his case manager at Valley Brook laud his work with the other members of the Valley Brook community.

**Now a senior at Brigham Young University, this young woman maintains a 3.87 GPA.** While majoring in dietetics, she has had an opportunity to work on laboratory studies designing new nutritional products for preterm babies. Further, she works as a teaching associate within the dietetics department. She takes advantage of work opportunities relevant to her major outside of class to broaden her resume. Additionally, she has done many hours of community service work in various settings as she looks to give back to her community.

**After completing her associate degree in social work at Delaware County Community College, this 31-year-old single mother continues her social work studies at West Chester University near her home in Spring City, Penn.** She is a multiple-year NAHMA scholar who works at an assisted living facility. Additionally, she is currently interning at an "open door" ministry and plans to follow up with an internship at a juvenile detention facility. These opportunities provide her with valuable experience related to her social work preparation and should help provide specific direction on where she wants to take her career.

**This 21-year-old junior at Bowie State University in Maryland is a multiple-year recipient of a NAHMA scholarship.** He is a computer science major focused on work in the cyber security field upon graduation. His goal is to work for the state or federal government, monitoring software security and diagnosing computer hacking. He has a 3.12 GPA and has worked at a local regional food store chain for several years to help pay his way through school. In his free time, he likes to bowl and is an experienced bowling tournament competitor with an impressive performance record.

**Having to recover from major spinal surgery as an 11-year-old child, this now 36-year-old single mother of two has completed an associate degree in liberal arts and another one in nursing.** She is now seeking her four-year degree in nursing at the University of Hawaii Maui College. She maintains a 3.25 GPA in the program and is currently considering which specific branch of nursing she wants to pursue. In her essay, she explained how her early life experiences related to her health had led her to nursing. She hopes to provide the same care and compassion to her patients as she received as a youngster.

**As a two-time NAHMA scholar, this young man is now completing his associate degree in accounting with an expected graduation in December of 2021.** He attends Dixie State University in Utah, where he maintains a 3.94 GPA. He is enhancing his resume by completing an accounting internship with the city of Sandy, Utah. He looks to continue his accounting studies and complete his four-year degree starting in January 2022. His goal is to secure employment as a corporate accountant with a startup company committed to a sustainable and environmentally friendly mission.

The NAHMA Educational Foundation is proud to continue its efforts to provide financial assistance to these notable recipients representing the worthy student residents selected every year to receive NAHMA scholarships. These seven students, along with the other 80 recipients in 2021, are moving toward their goal of securing their degree by finishing their program of study and contributing to the betterment of their community. For additional information about the NAHMA Scholarship Program, please contact Dr. Bruce W. Johnson at bjohnson@tmo.com. **NN**


AUTOOUT
817-924-1370
AUTOOUT

# REGULATORY WRAP-UP

TO READ THE NOTICES below in their entirety, visit the issuing agency's webpage under the Agencies tab at nahma.org. For all updates related to the COVID-19 coronavirus, visit the Coronavirus Information and Resources webpage at https://www.nahma.org/coronavirus-information-and-resources/.

## HUD NEWS

**THE ANNUAL INDEXING OF BASIC STATUTORY MORTGAGE LIMITS** for Multifamily Housing Programs; Annual Indexing of Substantial Rehabilitation Threshold Notice was published in the *Federal Register* on Sept. 9. On Sep. 14, HUD published the Annual Revisions to Base City High Cost Percentage, High Cost Area, and Per Unit Substantial Rehabilitation Threshold for 2021 Housing Notice and Mortgagee Letter. As both authorized and required by the Consolidated Appropriations Act, 2008, the Mortgagee Letter and Notice alert, FHA-approved Multifamily mortgagees, to the annual adjustment in the FHA Statutory Mortgage Limits the list of High Cost Areas for 2021. The annual adjustment to the Statutory Limits is published in the *Federal Register,* and the High Cost Area limits are published in the Housing Notice and Mortgagee Letter.

**HUD HAS ISSUED NOTICE CPD-21-10: REQUIREMENTS FOR THE USE OF FUNDS IN THE HOME-AMERICAN RESCUE PLAN (HOME-ARP)** Program (HOME-ARP Notice), which establishes requirements for funds appropriated under section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2) (ARP) for the HOME Program to provide homelessness assistance and supportive services. HUD has also issued a series of HOME-ARP Implementation Notice Fact Sheets to support program implementation.

**HUD PUBLISHED ITS 2022 DIFFICULT DEVELOPMENT AREAS (DDAS)** and Qualified Census Tracts (QCTs), effective for allocations of credit or bonds issued after Dec. 31, 2021. HUD is required to annually designate DDAs, which are areas with high construction, land, and utility costs relative to area median gross income, and QCTs, which are areas either in which 50% or more of the households have an income which is less than 60% of the area median gross income or which have a poverty rate of at least 25%.

**HUD RELEASED ITS LATEST RESEARCH ON INNOVATIVE STRATEGIES** pursued by state and local governments to remove regulatory barriers to affordable housing and increase the housing supply. The new research, published by HUD's Office of Policy Development & Research (PD&R), was promised as part of the department's Sept. 1 announcement of a series of actions it is taking as part of the Biden-Harris administration's plan to create, preserve, and sell nearly 100,000 additional affordable homes for homeowners and renters across the country over the next three years. The research also makes clear the consequences that inadequate housing supply will have on homeowners and renters.

**THE FEDERAL HOUSING ADMINISTRATION ISSUED A STATEMENT** regarding programs and resources available to protect HUD-assisted households from eviction while ensuring assistance is provided to landlords, owners, public housing authorities, and other stakeholders during the COVID-19 pandemic. For more information, visit https://www.hud.gov/rent_relief or reach out to the local field office.

**HUD AND THE FEDERAL HOUSING FINANCE AGENCY (FHFA) ENTERED INTO A FIRST-OF-ITS-KIND COLLABORATIVE AGREEMENT** regarding fair housing and fair lending coordination.

### FOURTH ROUND—FUNDS TO COMBAT COVID-19

**THE OFFICE OF MULTIFAMILY HOUSING PUBLISHED** Housing Notice 2021-05, Continued Availability of Funds for COVID-19 Supplemental Payments (CSP) for Properties Receiving Project-Based Rental Assistance under the Section 8, Section 202, or Section 811 Programs. The notice opens the fourth round of application submissions for owners to apply for funds to offset property expenditures to combat the effects of COVID-19. The supplemental payments are available for operating cost increases directly related to a property's efforts to prevent and respond to the COVID-19 pandemic, personal protective equipment, increased cleaning and sanitization, and air filtration expenses. A few new types of eligible expenses have also been added, including Wi-Fi internet equipment, heating, ventilating, and air conditioning upgrades, and in limited cases, emergency generators. Additionally, some of the financial need criteria for smaller requests will be waived. Properties projecting surplus cash are now eligible for amounts up to the Standard CSP cap for expenses incurred only from April 1, 2021, to Oct. 31, 2021. Please note that this is anticipated to be the final round of COVID-19 supplemental payments utilizing CARES Act funds. Owners may submit payment requests for expenses incurred through Oct. 31, and request forms are due to HUD or the contract administrator by Nov. 19. Property owners and management agents should still contact their assigned HUD account executive or contract administrator with any questions about property eligibility for a CSP.

Under the Memorandum of Understanding (MOU), the two agencies will focus on enhancing their enforcement of the Fair Housing Act, which HUD is primarily charged with administering and enforcing, and their oversight of Fannie Mae, Freddie Mac, and the Federal Home Loan Banks, all of which FHFA regulates. The MOU strengthens the agencies' ability to enforce fair housing and fair lending requirements by promoting information sharing, coordination on investigations, compliance reviews, and the ongoing monitoring of the enterprises.

## USDA NEWS

**USDA'S OFFICE OF RURAL DEVELOPMENT PUBLISHED PROCEDURAL NOTICE 553 ANNOUNCING FINAL MANAGEMENT FEES FOR FISCAL YEAR (FY) 2022.** Each state's management fee adjustment can be found on pages 54-55 in Chapter 3 of the Asset Management Guidebook. For FY 2022, the base fee will increase by $2, and the add-on fees will be $5 per unit per month.

## WHITE HOUSE NEWS

**THE WHITE HOUSE ANNOUNCED SEVERAL NEW ACTIONS TO HELP PROTECT** vulnerable tenants and owners during the COVID-19 pandemic, including additional steps the Treasury Department, USDA, and HUD are taking to strengthen existing guidance, implement new policies to accelerate Emergency Rental Assistance, and efforts to prevent evictions.

WITH AMY ALBERY
BY JENNIFER JONES

# Making a Difference in People's Lives Every Day

ONE OF AMY ALBERY'S FAVORITE quotes from author and inspirational speaker Simon Sinek is, "Money is like fuel. Cars need fuel, but the purpose of the car is not to buy more fuel. Business is the same. The purpose of business is not to make money; it's to advance a greater purpose or cause."

That's one of the reasons Albery made the transition from owning her own business to joining the Wallick Communities 10 years ago.

"I was the principal of Ohio Title. We closed transactions with affordable housing companies. When Tom Feusse joined Wallick, he reached out to me to join their development team. I never thought about it because I was a business owner," Albery said. "I was serving on nonprofit boards, and as Tom spoke to me, I realized I could make a difference in people's lives every day. Wallick is a for-profit company with a nonprofit soul in how we behave."

Wallick Communities is a fully integrated owner, developer, builder, and manager of affordable multifamily housing and assisted living/memory care communities in the Midwest and the largest owner/operator of affordable housing in Ohio.

In September, Albery succeeded Feusse as CEO after spending a transitional year serving as chief operating officer as part of the company's succession plan. Overall, Albery has been with the company since 2011. Before that, she was co-owner of Ohio Title for 13 years.

"When you renovate a single mom's apartment, and she tells you she has three high-school-aged kids, and she has tears in her eyes because she's never had a dishwasher and washer and dryer in her apartment," Albery said. "That's powerful, and I want to keep doing that."

> "When you renovate a single mom's apartment, and she tells you she has three high-school-aged kids, and she has tears in her eyes because she's never had a dishwasher and washer and dryer in her apartment. That's powerful, and I want to keep doing that."

Albery enjoys visiting the communities and interacting with the associates and residents.

"I get plugged in and re-energized. It helps reset my purpose," she said.

COVID-19 presented challenges for Wallick, especially since the communities it manages house the most vulnerable populations. Albery had to make sure the protocols Wallick put into place for its assisted living communities were sound and would keep residents and associates safe.

Outside of dealing with a global pandemic, Albery spent the transition year making sure Wallick's leadership and rising stars understood the company's goals and that everybody was working from the same page. She emphasized the importance of transparent communications while also acknowledging that there was always room for improvement.

As for future goals, Albery said she wants to work with her industry colleagues to solve the workforce housing shortage.

"I'm excited to continue those conversations at the federal and local level," she said.

Outside of work, Albery is passionate about CrossFit—she's a certified trainer, watching her sons play sports and traveling with her family. She has been married to her husband, Eric, for 20 years, and they have two sons, Blake, 18 and Eliot, 15.

"I was a college cheerleader. I have always had athletics as part of my life," she said. **NN**

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

## Welcome New Members

**NAHMA welcomes the following new members as of Sept. 30, 2021.**

**AFFILIATE**

Guthrie Alberts, Paysafe, Montreal, Quebec

**EXECUTIVES**

Jeff Baker, Conifer Realty LLC, Rochester, N.Y.

Domenic Butler, WinnCompanies, Roxbury, Mass.

Jessica Chiamulera, Conifer Realty LLC, Rochester, N.Y.

Lynn Malboeuf, WinnCompanies, Boston, Mass.

Betty Perry, Conifer Realty LLC, Rochester, N.Y.

# 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/.

**EDITOR'S NOTE:** *Due to the evolving health recommendations due to the COVID-19 coronavirus, please contact the AHMA directly for the most up-to-date status of all in-person and virtual events and educational offerings.*

## NOVEMBER

### 3

**Documentation of Resident Infractions**
Webinar
SAHMA
800-745-4088
www.sahma.org

### 3-4

**Tax Credit Training & SHCM Exam**
Virtual
JAHMA
856-786-9590
www.jahma.org

### 4

**Energy Star and WaterSense Programs**
Webinar
SAHMA
800-745-4088
www.sahma.org

### 9

**Fair Housing Compliance (FHC)**
Virtual
NEAHMA
781-380-4344
www.neahma.org

**Resident Services: Best Practices**
Webinar
AHMA-PSW
866-698-2462
www.ahma-psw.org

**New REAC Rules, NSPIRE Demonstration Program and Creating Effective Self-Inspections**
Webinar
Rocky AHMA
303-840-9803
www.rockyahma.com

**504 Coordination**
Webinar
SAHMA
800-745-4088
www.sahma.org

### 10

**HUD Basic Occupancy Part 1**
Webinar
MAHMA
614-481-6949
http://mahma.com

**EIV Policies & Procedures and Reports**
Webinar
SAHMA
800-745-4088
www.sahma.org

**Preparing for Tax Credit Inspection**
Webinar
SAHMA
800-745-4088
www.sahma.org

**Basic Occupancy**
Webinar
NEAHMA
781-380-4344
www.neahma.org

### 11

**EIV 201**
Webinar
NEAHMA
781-380-4344
www.neahma.org

### 16

**REAC/NSPIRE**
Webinar
MAHMA
614-481-6949
http://mahma.com

**Fair Housing Compliance (FHC) Certification**
Virtual Training
SAHMA
800-745-4088
www.sahma.org

### 16–17

**Professional Development Series 2–Session 3: The Art of Facilitating Productive Meetings**
Virtual
AHMA-PSW
866-698-2462
www.ahma-psw.org

### 16–18

**26th Annual Fall Conference**
Mid-Atlantic AHMA
804-564-7898
www.mid-atlanticahma.org

### 17

**HUD Basic Occupancy Part 2**
Webinar
MAHMA
614-481-6949
http://mahma.com

### 18

**Teamwork & Team Building**
Webinar
AHMA-PSW
866-698-2462
www.ahma-psw.org

**SHCM Exam Prep: Recertification, Documentation & Record Keeping**
Webinar
SAHMA
800-745-4088
www.sahma.org

## DECEMBER

### TBD

**NEAHMA Holiday Meeting**
NEAHMA
781-380-4344
www.neahma.org

### 7

**Intermediate LIHTC Compliance**
Webinar
Mid-Atlantic AHMA
804-564-7898
www.mid-atlanticahma.org

### 7–9

**Tax Credit Compliance Course**
Webinar
Mid-Atlantic AHMA
804-564-7898
www.mid-atlanticahma.org

### 8

**Fair Housing 101: Fair Housing is Everyone's Responsibility**
Webinar
JAHMA
856-786-9590
www.jahma.org

**Income & Assets in Today's Tech Driven Economy**
Live Webinar
Oregon AHMA
503-357-7140
www.oregonaffordable housingmanagement.com

### 9

**Advanced LIHTC Compliance**
Webinar
Mid-Atlantic AHMA
804-564-7898
www.mid-atlanticahma.org

### 14–16

**Three-Day CPO**
Virtual
NEAHMA
781-380-4344
www.neahma.org

**NAHMANews**
National Affordable Housing Management Association
400 North Columbus Street, Suite 203
Alexandria, VA 22314
www.NAHMA.org



*PROTECTING THE INTERESTS OF AFFORDABLE HOUSING PROPERTY MANAGERS AND OWNERS*

thelastword

# Help the Foundation Support Scholars

THE NAHMA EDUCATIONAL Foundation awarded 87 scholarships this year. Each scholarship is worth $3,500, which means a total of $304,500 will help deserving residents of affordable housing continue their educational pursuits; for a complete list of this year's scholars, see page 24.

When the first scholarships were awarded in 2007, the foundation awarded a total of $22,000 divided among 22 scholars. With this year's scholars class, the foundation will have given away more than $2.2 million over the program's lifetime.

The foundation's scholarship program has come a long way since its launch. It continues to grow in the number of residents receiving financial assistance to continue their post-high school educations and 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 2021 fundraising campaign is underway and will culminate with the NAHMA Educational Foundation's annual fundraising gala. This year, the gala will be a virtual PINAHMA Party on Thursday, Nov. 4. 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. To donate, text NAHMA-EDU to 76278 on your smartphone. You can also donate money or auction items and register for a free ticket by visiting NAHMAEDU.givesmart.com. While there is no cost to participate in the event, registration is required.

After over a year of Zoom meetings, masks, and sourdough bread, we all deserve to have some fun and help out a good cause in the process.

The gala will include music, games, silent and live auctions, testimonials from scholarship recipients, and more. For more details, visit the Educational Foundation page on the NAHMA website.

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

> Now, the foundation needs your help to continue its mission of helping residents of affordable housing work to better their futures.

Thank you for your continued support of NAHMA and the numerous initiatives we are working on to advance the industry and ultimately improve the quality of life for the families we serve. **NN**

*Michael Simmons, NAHP-e, is senior advisor, business development officer and broker of record for Community Realty Management Inc., and serves as NAHMA president.*