

NAHMA News

PROTECTING THE INTERESTS OF AFFORDABLE HOUSING PROPERTY MANAGERS AND OWNERS

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REAC Overhaul Coming?

In late November, the Department of Housing and Urban Development (HUD) invited NAHMA and other industry stakeholders to a briefing on overhauling the Real Estate Assessment Center (REAC) and its physical inspection protocols. The briefing came after negative news reports on deplorable living conditions at some high-profile troubled properties. The HUD briefing provided a glimpse into its decision-making on the future of REAC and physical inspections.

Additionally, in October, HUD's Office of Multifamily Housing shared policy updates on Physical Conditions Standards and Inspection Requirements (H 2018-08), Wholesale REAC re-examination and FHA Principal Risk Criteria Revision (H 2018-09).

WHAT IS REAC?

According to HUD, the agency helps 4.7 million low- to moderate-income Americans access affordable, quality housing. It supports these households through several rental assistance programs, primarily relying upon private own-

According to the agency, HUD's Office of Multifamily Housing entered into binding agreements with private owners of more than 17,000 apartment buildings totaling 1.2 million units. Currently, approximately 96 percent of these properties receive passing scores.

ers to provide housing to recipients of rental assistance vouchers administered by public housing agencies (PHAs). In addition, PHAs own and operate approximately 900,000 public housing units. In a third major program, Project-Based Rental Assistance (PBRA), HUD contracts with private owners of apartment buildings to house another 1.2 million households.

Federal law and regulations require taxpayer-supported housing be "decent, safe and sanitary." To ensure this requirement is met, all multifamily properties



NEW NAME, SAME US

Interstate Realty Management has been providing exceptional property management services to affordable and mixed-income communities since 1973. As a company of **The Michaels Organization**, our expertise encompasses more than just affordable housing management. We manage a diverse range of residential communities and offer expertise in development, finance, and construction. All our companies share one mission: To create Communities that Lift Lives. Going into the future, we will also share one name: **Michaels**. So, please let us re-introduce ourselves...

Interstate Realty Management Company is now Michaels Management.



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Highlighting the Good

AS OF THIS WRITING, THE COUNTRY was just coming out of the longest federal government shutdown in history. The impasse caused hardships not only for the federal employees who did not receive paychecks, but also trickled down to our members and the vulnerable resident populations they serve.

However, this uncertain time has also brought out the good in people. Many businesses and volunteers stepped up to support those affected anyway they could from providing free or discounted meals and services to cleaning up national parks to creating GoFundMe campaigns.

In the spirit of keeping the positivity going, I'd like to use this column to focus on some good.

CELEBRATING SUCCESSES

As in years past, we start out our year on a high note: announcing the winners of the Communities of Quality Awards program and the NAHMA Industry and AHMA Awards. You can read about all of these remarkable communities and leaders in this issue of *NAHMA News*; please see the articles on pages 16 and 27.

Additionally, the application for the 2019 Vanguard Awards is available online and is due June 7. For more information about the awards or to download an application, visit the Vanguard Award webpage under the Awards & Contests tab at www.nahma.org.

MAKING A DIFFERENCE IN 2019

One of our greatest wishes for the new year is that you will see 2019 as the year you have your voice heard in both houses of the 116th Congress. Nothing matters

more to elected officials, whether in the District of Columbia or at the local and regional levels, than hearing from a constituent. Call, write, email—do whatever you can to make sure your voice is raised in support of affordable housing.

We are asking our members to continue to lobby their elected U.S. Congress members, and their staff, on behalf of the Affordable Housing Credit Improvement Act, which strengthens and expands the LIHTC program, as well as other key legislation that died in the 115th Congress, see page 22 for more details.

To help you find your voice, NAHMA will once again be rolling out an Advocacy Challenge, visit www.nahma.org for more details.

SUPPORTING EDUCATION

Through the generous support of NAHMA members, the NAHMA Educational Foundation was able to award a total of \$162,000 to 64 scholarships to worthy students from AHMA-affiliated communities. Over the course of the program, more than \$1,400,000 in scholarships have been granted.

Additionally, the NAHMA Educational Foundation's annual gala and poster auction in October raised more than \$420,000 for the foundation's scholarship program.

To see a complete list of the 2018 Education Foundation supporters, please see page 26.

Also, we ask that you help us spread the word about the scholarship program to your residents. The scholarship application is now available online, see page 14 for more information. **NN**

Kris Cook, CAE, is executive director of NAHMA.

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participating in HUD's various rental assistance programs must be regularly inspected by REAC. Those that score well are inspected less frequently while those that score poorly are inspected most frequently. However, according to HUD, it has become clear that REAC's 20-year-old scoring system needs to be changed to better reflect the physical conditions of the properties.

When a property fails an inspection, HUD demands the owner correct any serious health or safety defects immediately and develop a corrective plan to address all reported poor housing conditions.

at press time the agency had not issued final policy on the proposals, possibly as a result of the lengthy federal government shutdown.


1. REAC and physical inspection overhaul is a crosscutting priority of HUD Secretary Ben Carson, which likely means Public Housing, Housing Choice Voucher and Multifamily Housing project-based programs will all be impacted. This decision is also largely in reaction to negative press and subsequent political pressure from Congress. HUD has said it is pursuing a dual short- and long-term strategy.

stakeholders. No information on dates and times were provided at the briefing. HUD leadership continues to conduct property site visits and participate in physical inspections.

3. Long-Term (likely enacted throughout 2019): HUD plans to launch a pilot program to analyze and design new physical inspection standards and protocols.

4. HUD may work with local governments to promote shared oversight of physical inspections.

The agency will be working on legislative and regulatory changes to establish



HUD leadership specifically wanted to convey that failing scores are unacceptable and its belief that the current standard may not reflect the portfolio's true physical condition. The agency's goal is to improve property standards and inspection scoring models.

If the property owner will not or cannot correct these failing housing conditions, HUD may terminate its contract with the owner and relocate residents to housing that is more suitable.

The number of new failed inspections is on the decline, according to HUD. In 2017, the number of failed inspections was 649; as of Oct. 1, 2018, the number of failed inspections is 563. Included in the total number of failed properties are a significant number that are being rehabilitated, sold, terminated or have opted out of the PBRA program, according to HUD. Meanwhile, HUD's data shows that of the more than 17,000 apartment buildings totaling 1.2 million units in the PBRA program, currently about 96 percent of these properties receive passing REAC scores.

HIGHLIGHTS OF THE HUD BRIEFING

The following are policy proposals discussed at the November briefing hosted by HUD that NAHMA believes are noteworthy. The following proposals are under consideration by HUD, but

2. Short-Term (likely enacted in spring 2019): HUD leadership was clear that everything is on the table as it relates to physical inspections policy changes. A few notable items under consideration are:

a. In terms of scheduling a physical inspection, HUD will substantially reduce its inspection notification period and the inspection date may no longer be "mutually agreeable." Severe penalties and enforcement protocols will be assessed for cancellations, including a score of zero.

b. Emphasis will be on exigent health and safety (EH&S) hazards and interior condition of units, with less focus on exterior grounds.

c. A year-round "Industry Standard" will be expected, not just improvements before physical inspection.

d. HUD will consider ending its reverse auction for hiring inspectors and explore an alternative procurement.

e. HUD leadership said it plans to schedule listening sessions with local

permanent changes and possible changes to REAC itself.

HUD leadership specifically wanted to convey that failing scores are unacceptable and its belief that the current standard may not reflect the portfolio's true physical condition. The agency's goal is to improve property standards and inspection scoring models. HUD will not delay in taking enforcement actions against owners who are not meeting standards.

The November meeting was likely the first of many and NAHMA plans to keep members updated on future meetings. It is important to note that NAHMA was a forceful advocate on behalf of members, pointing out ways in which proposals were not fair, realistic nor appropriate, especially given that HUD's own data shows that 96 percent of its PBRA portfolio receives passing REAC scores.

STANDARDS AND INSPECTION REQUIREMENTS

Notice H 2018-08, Servicing of Projects That Do Not Meet HUD's Physi-

continued on page 6

Pinnacle expedites eligibility reviews on RENTCafé® Affordable Housing



"100% of housing applications submitted through RENTCafé Affordable Housing are complete and ready for review. Our on-site staff processes these applications twice as fast, which frees time to serve residents."

Nick Strzelec
Property Technical Analyst
Pinnacle Property Management Services, LLC

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REAC OVERHAUL COMING?, *continued from page 4*

cal Condition Standards and Inspection Requirements (PCS&IR) or Fail to Certify That Exigent Health and Safety (EH&S) Deficiencies Have Been Resolved as Required, issued in October, provides guidance to Office of Multi-

PCS&IR, as indicated by a score below 60 on a physical inspection; and/or
■ A project owner fails to timely and properly certify in writing that the EH&S deficiencies identified during a physical inspection have been resolved.

addressing all other projects with unsatisfactory physical conditions, as evidenced by repeated low REAC scores, significant renter complaints, local code violations, staff site visits or other methods.

Furthermore, the notice became effec-

HUD leadership specifically wanted to convey that failing scores are unacceptable and its belief that the current standard may not reflect the portfolio's true physical condition. The agency's goal is to improve property standards and inspection scoring models.

family Asset Management and Portfolio Oversight (OAMPO) staff for implementing certain sections of the 2017 and 2018 Consolidated Appropriations Act that apply to projects subject to HUD's Physical Conditions Standards and Inspection Requirements under two conditions related to physical inspections:

■ The property fails to meet the

The notice also provides guidance on options that asset managers can use when a property fails a component part of an inspection while still scoring 60 or above and provides amended guidance to OAMPO staff regarding the placement of flags in the Active Partners Performance System relating to a physical inspection score. It further provides guidance to OAMPO staff for

tive immediately and applies to projects for which HUD released or releases a physical inspection report on or after May 5, 2017, the date of enactment of Section 223 of the Consolidated Appropriations Act of 2017.

To read the notice in its entirety, visit the HUD Issues webpage under the Agencies tab at nahma.org. **NN**

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Professional Liability with Tax Credit Coverage

Habitational Risk Solutions for Affordable Housing Markets.

USI 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. USI's newly developed professional liability coverage tailored for affordable housing markets is placed through a preferred carrier and 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%
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- Third Party Discrimination coverage
- Definition of employees includes Independent Contractors
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Industry Updates + Happy New Year to Divided Government

I AM AN OPTIMIST AT HEART, A believer in purpose of public service and a realist about the political navigations required to bring about any change to public policy status quo. But, even I must admit, 2019 began with a partial government shutdown and that does not bode well for the rest of the year. The White House, Democrat-led House of Representatives and Republican-led Senate have already forecasted how they intend to work together, and it is clear they are not working well together at all. While there remains a sliver of bipartisan hope for infrastructure investment, housing investment or prescription drug reform, the affordable housing industry must prepare for the reality of divided government, where nothing gets done. As we look ahead to 2019, let's start with a few important industry updates that occurred at the end of 2018.

DEPUTY SECRETARY ANNOUNCES RESIGNATION

In December, Department of Housing and Urban Development (HUD) Secretary Ben Carson accepted the resignation of his deputy secretary, Pam Patenaude. The resignation letter announced her intention to resign in 2019 and to return home to New Hampshire. Her resignation concludes a 35-year career in housing, during which time she worked on community development, disaster recovery and other housing initiatives. Federal Housing Administration (FHA) Brian Montgomery, who was a keynote speaker at NAHMA's October Meeting, will serve as acting deputy secretary while maintaining his role at the FHA.

TRUMP NOMINATES NEW FHFA DIRECTOR

In December, President Donald Trump also announced his intent to nominate Mark Calabria as director of the Federal Housing Finance Agency (FHFA). Currently serving as chief economist for Vice President Mike Pence, Calabria previously served as a senior aide on the Senate Banking Committee, which has jurisdiction over housing issues, and as

While there remains a sliver of bipartisan hope for infrastructure investment, housing investment or prescription drug reform, the affordable housing industry must prepare for the reality of divided government, where nothing gets done.

a deputy assistant secretary for regulatory affairs at HUD. Calabria has also worked at the Cato Institute, Harvard's Joint Center for Housing Studies, the National Association of Home Builders and the National Association of Realtors.

If confirmed by the Senate, Calabria would replace current FHFA Director Mel Watt, who was a holdover from the Obama administration and whose term expired in January.

CARSON TO LEAD NEW OPPORTUNITY ZONES COUNCIL

To end 2018, Trump created a new White House Opportunity and Revitalization Council. Carson was tapped to lead the council, which will coordinate efforts across 13 federal agencies to target existing funding into the newly created "Opportunity Zones."

Opportunity Zones were locally selected and formally designated by

the IRS following the enactment of tax reform in late 2017, which amended the tax code to create incentives for long-term private investment in economically distressed areas.

ADVOCACY NEEDED FOR THE HOUSING CREDIT

Despite early division that led to a partial government shutdown, the ACTION Campaign, of which NAHMA is a mem-

ber, is focusing on strengthening and expanding the Low-Income Housing Tax Credit (housing credit) in the new Congress. The ACTION Campaign will build on the strong bipartisan momentum generated in the last Congress.

Congress did not pass a tax package at the end of last year and most of the reforms in the Affordable Housing Credit Improvement Act will need to be reintroduced. Advocacy in support of the housing credit in 2019 will be important to sustain strong bipartisan support, as well as educate new members of Congress about the housing credit in advance of a bill's introduction.

NAHMA urges all housing credit stakeholders to thank your members of Congress who previously co-sponsored the Affordable Housing Credit Improvement Act and ask for their continued support this year. **NN**

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

Novogradac Survey: Tax Reform's Impact Varies, Depending on Perspective

THE TAX REFORM WAVE THAT hit in late 2017 cleaned up the beach or destroyed the real estate, depending on your point of view.

Regardless of perspective, tax reform affected how people in affordable housing, community development and historic rehabilitation do business.

In an informal online survey by Novogradac, 48.8 percent of respondents said that tax reform had a moderately negative affect on their business in 2018. Out of five optional answers,

That tax reform “greatly improved” and “greatly hurt” the business tied at 11.6 percent of respondents, while only 2 percent of respondents said tax reform did not affect their business.

tax reform having a “moderately positive” affect was the next most popular answer at 18.6 percent. That tax reform “greatly improved” and “greatly hurt” the business tied at 11.6 percent of respondents, while only 2 percent of respondents said tax reform did not affect their business.

The headline provision from the sweeping legislation was a drop in the corporate tax rate from 35 percent to 21 percent. That resulted in a reduced appetite for many tax credits.

“In the good days, you could do an [affordable housing] deal and not need much outside debt,” said Kim Datwyler, executive director at Neighborhood Nonprofit Housing (NNH), a developer and owner of affordable housing properties in Utah. “You could have a golden deal. Now we have gaps on our deals.”

However, Brett Magers, executive vice president and chief lending officer

of Legacy Bank and Trust in Springfield, Mo., said tax reform increased his bank's available capital.

“It made us a little more inclined to invest in human capital and technology,” said Magers. “Small community banks have a hard time keeping up, so we ramped that up.”

Novogradac's poll also asked whether respondents changed their business model due to tax reform and whether the new base erosion anti-abuse tax (BEAT) applied to their organization.

A slight majority of participants—53.5 percent—said tax reform did not change their business model, while the other 46.5 percent said it did.

An overwhelming 92.9 percent of respondents said BEAT did not apply to their organization.

Following is the experience of a few of those who participated in the survey.

LOWER TAX RATE HITS LIHTCS

Tax reform was part of a perfect storm of problems that hit Utah's affordable housing market, according to Datwyler.

“Utah is facing its biggest affordable housing crisis in at least 40 years and maybe in recorded history,” Datwyler said. “There just aren't enough units, pricing is off and Utah's strong economy and low unemployment have combined to drive up the demand for units.”

She attributes the shortage to a combination of tax reform, tariffs and labor

shortages. She said it was obvious even before the legislation passed.

“In our state, there's one round of funding and applications are due the first Monday in October,” Datwyler said. “Last year, there were rumblings and we knew the tax rate was going to be adjusted downward. But I doubt that many investors thought it would end up where it did.”

The corporate rate dropped and during 2018, approved Low-Income Housing Tax Credit (LIHTC) developers began to pass on the credits, leading the state housing agency to step in and provide state credits to fill the gap. That did not fully fix it.

“We did not apply [for credits] this year,” Datwyler said. “We chose to sit out and see what happens. Income averaging could help out, but outside of the Wasatch Front [the metro area that includes 80 percent of Utah's population], market rents are never going to hit what you need. It's all in disarray.”

The impact is not limited to Utah.

Mike Hynes is CEO of Lexington, Ky.-based Winterwood Inc., where he oversees construction and real estate development in the four-state region of Kentucky, Indiana, Tennessee and West Virginia.

“We can still do business,” Hynes said. “Not a lot changed except the investment amount. The market pretty much stabilized, but what changed is the site selection and the technical details. The sites we looked at are not able to [pencil out] anymore—they need a basis boost or help. We might have been able to overcome the gaps at the full previous tax-reform rate, but it's pretty much put a strain on local resources.”

Back in Utah, the state created an

affordable housing commission to examine the difficulty, including a hope to get a \$100 million bond for affordable housing. Datwyler said the new environment changed the way NNH conducts business.

“This is when you know you become a gambler,” Datwyler said. “There are so many unknowns and it’s so unsolvable. What will credit prices look like? Will changes in the [Community Reinvestment Act] CRA make a difference?”

She said rural residents are the losers.

“You will see fewer projects in rural areas unless something is done,” Datwyler said. “Major population centers will probably figure it out, but this affects all of us and we need all the players at the table. ... There needs to be an emphasis on everybody working together or we will see a reduction in units.”

Hynes said his company is more cautious.

“We definitely are taking a more conservative view toward everything, particularly where it involves private activity bonds,” he said. “We also haven’t taken on new funding for historic tax credit properties.”

MORE MONEY FOR INVESTMENT

Not everyone lamented lower corporate tax rates.

“Like everybody, we were excited to see it pass,” said Magers. “We had to do some accounting, but the excitement for the future was huge. That’s significant for our company, because we get to take \$700,000 or \$800,000 in savings.”

As noted earlier, Magers said that was reinvested in people and technology.

Magers now is focused on the New Markets Tax Credit program, but earlier in his career was involved with the LIHTC and historic tax credit programs.

“[Tax reform] affected tax credit pricing,

but it also added stimulation for extra capital,” Magers said. “It’s tough on tax credit pricing. Projects have trouble making it and I hate that for the industry, but there is more money to leverage affordable housing.”

Legacy is a 70-person bank with about \$250 million in assets. Magers says tax reform helps.

“There’s more capital to invest,” Magers said. “When you cut taxes as much, banks are more aggressive.”

LANDMARK LEGISLATION

In the year since tax reform legislation passed, investors, developers, syndicators and others involved in various tax incentives are finding their way. Whether they think tax reform helped, hurt or did not affect their businesses, they agree it was important.

“There was some [previous] regulatory reform for small business, but nothing was meaningful like this,” Magers said. “The bottom-line change and effect were immediate. ... It was a major confidence boost instantly for small business. It changed instantly. It’s worth it now, it inspired more risk-taking.”

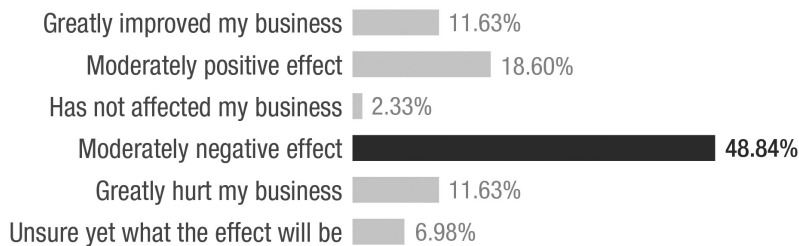
Hynes said tax reform was the biggest change in his nearly two decades in business.

“Absent the Great Recession, I’ve never seen this type of disruption in the market, ever,” said Hynes. “This is a new one for me. As an industry, we’ve recovered quickly, but at the time, it was an existential crisis and required all hands on deck.” **NN**

Additional information can be found online at www.taxreformresourcecenter.com. This article first appeared in the December 2018 issue of the *Novogradac Journal of Tax Credits*. © Novogradac & Company LLP 2018. All rights reserved. Used with permission from Novogradac & Company LLP, San Francisco, CA, 415-356-8000, <https://www.novoco.com/>.

2018 NOVOGRADAC JOURNAL OF TAX CREDITS TAX REFORM SURVEY

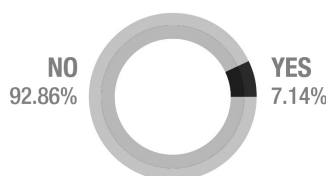
Overall, how has the 2017 tax law affected your business in 2018?



Have you made changes to your business model due to tax reform?



Does the BEAT provision apply to your organization?



Source: Novogradac Journal of Tax Credits Survey

NOVOGRADAC & COMPANY

NAHMA Analyzes The State of Housing

To close out 2018, NAHMA released three NAHMA analysis summaries: *The State of the Nation's Housing Report*, *The State of the Nation's Rural Housing Portfolio* and *Housing America's Older Adults*, each focusing on a different aspect of affordable housing based on reports issued by the Harvard Joint Center for Housing Studies (JCHS) and the Housing Assistance Council (HAC).

STATE OF HOUSING

According to the JCHS annual *State of the Nation's Housing* report, last year multifamily starts declined by 9.7 percent to 354,100 units, and multifamily permitting dropped in 52 of the nation's 100 largest metropolitan areas. This slowdown comes in response to both weaker overall rental demand and increasing slack at the upper end of the market.

Annual rent growth for 2017 was 3.7 percent, a figure higher than inflation, but slightly lower than it had been. And for the first time since 2009, the national rental vacancy rate rose, ticking up from 6.9 percent to 7.2 percent, primarily in higher cost units.

More than 38 million U.S. households—nearly a third of all households—paid more than 30 percent of their incomes for housing in 2016, making them “cost burdened.” About 20.8 million renter households—47 percent—are classified as cost burdened. More than half of these households pay more than 50 percent of their income for housing.

The number of very low-income households with severe cost burdens or living in inadequate or overcrowded conditions rose from 6 million in 2005 to 8.3 million in 2015. The number of assisted households rose by 150,000 over the same period. As a result, only one out of every four very low-income renter households received rental assistance.

The number of people experiencing homelessness increased in 2017, ending a six-year trend of decreasing homelessness. In total, 1.4 million people—including 147,000 families with children—used a shelter at some point in 2016. More than half of the homeless population lives in the nation's highest-cost metro areas.

A National Low Income Housing Coalition study found that for every 100 extremely low-income renters, only 35 rental units were affordable and available in 2016, representing a nationwide shortfall of more than 7.2 million units. Conditions for very low-income renter households were little better, with 56 affordable and available rentals per 100 households. According to the same study, extremely low-income renters far outnumber the units they can afford in all of the nation's 50 largest metro areas.

According to Census Bureau data, more than 2.5 million units priced below \$800 in real terms—affordable to households earning up to \$32,000 per year—were lost on net between 1990-2016. Although adding new supply at the upper end should, in theory, cause older housing to filter down the rent scale, this process has not produced an adequate supply of rentals at the low end.

Markets are also failing to produce new units with rents that many households can pay. Only 31 percent of renters could afford, at 30 percent of income, the \$1,550 median asking rent for a new apartment in 2017. By comparison, 41 percent of renters could afford the \$1,064 real median asking rent for new units in 1990.

Expanding the supply of lower cost housing would help relieve the cost burdens of some households of modest means, but subsidies are the only way to close the affordability gap for the nation's lowest income families and individuals. Even so, increases in federal rental assistance have lagged far behind

growth in the number of renters with very low incomes, the group typically eligible for subsidies. Between 1987-2015, the number of very low-income renters grew by 6 million while the number assisted rose by 950,000, reducing the share with assistance from 29 percent to 25 percent.

Between 2000-2017, the number of vouchers in use edged up from 1.8 million to 2.2 million, as funding increases fell short of the higher costs per voucher caused by a widening gap between renter incomes and fair market rents.

Meanwhile, the number of Low-Income Housing Tax Credit (LIHTC)-funded units available for occupancy grew steadily from 880,000 in 2000 to about 2.5 million in 2017.

With the affordability periods of more than a million subsidized units expiring over the next decade and the growing shortfall in low-cost housing, the current rate of LIHTC production of about 80,000 units per year falls well short of need.

To read in NAHMA analysis, *The State of the Nation's Housing Report*, in its entirety, visit the Members Only section of nahma.org.

RURAL HOUSING

In 2018, HAC released a report on the U.S. Department of Agriculture (USDA) multifamily housing portfolio to identify the need and propose solutions to preserve this aging portfolio. In HAC's report, *Rental Housing For a 21st Century Rural America, A Platform for Preservation*, the organization makes the case that the lack of affordable housing is not just a problem for urban areas; affordable housing in rural America is also a crisis. The report concludes with strategies for four key stakeholders and entities that are essential for the preservation of the rural portfolio, including 1) the USDA; 2) owners of Section 515 properties; 3) renters residing in Section 515 properties; and 4) the public

interest created by Section 515 investments and related outlays.

As of April 2016, there were 13,829 Section 515 properties with 416,396 rental units in USDA's portfolio. More than 80 percent of renters in USDA properties receive some type of rental assistance from the Section 521 program, the Department of Housing and Urban Development (HUD)'s Project-Based Section 8 and Housing Choice Vouchers. About 98 percent of the properties are designated either family or elderly projects. In fact, nearly 63 percent of the properties, representing more than 64 percent of all portfolio units, are family projects. Elderly-specific projects—residents age 62 and over or that have disabilities—make up nearly 35 percent of the properties and roughly

or 1,788 units, per year will leave the program from 2016-2027. This trend will continue, creating a potential loss of 2,800-3,000 properties with 82,000-92,500 units.

Between 2001-2016, loans were prepaid on 1,564 Section 515 properties resulting in 28,475 rental units leaving USDA's portfolio. Over the last five years an average of 86 properties and 1,643 units have prepaid annually. As of 2016, an estimated 5,300 Section 515 properties, or 38.2 percent of properties totaling more than 150,000 units, are still eligible to prepay.

As a result of maturing mortgages or prepayments on a Section 515 property, the property loses its Section 521 rental assistance. This could lead to renter displacement and the elimination of the

ment for preservation resources, which may come from Fannie Mae and Freddie Mac through the Duty-to-Serve Rule.

To read the NAHMA Analysis, *The State of the Nation's Rural Housing Portfolio*, in its entirety, visit the Members Only section of nahma.org.

SENIOR HOUSING

Today, 65 million households in America are headed by someone age 65 or over. This is largely due to the aging of the massive baby-boomer generation, which is now ages 65-74. In 2016, more than 25 percent of households age 50 and over included at least one person with a vision, hearing, cognitive, mobility or independent living impairment. Providing affordable housing for the nation's senior population is an urgent challenge.

In its most recent report, *Housing America's Older Adults 2018*, JCHS outlines the challenges faced by seniors, including

More than 38 million U.S. households—nearly a third of all households—paid more than 30 percent of their incomes for housing in 2016, making them “cost burdened.” About 20.8 million renter households—47 percent—are classified as cost burdened. More than half of these households pay more than 50 percent of their income for housing.

one-third of units. The average income of Section 515 renters is \$13,600, or 75 percent less than the average household income in the U.S. Nearly 46,000, or more than 7 percent of all renters, are rent burdened, meaning they are paying more than 30 percent of their income for their housing.

The HAC report finds that rental housing options in rural America are scarce and declining. Since 2011, no new Section 515 properties have been financed, and the limited funding available has been used to repair and rehabilitate existing program properties. Around 90 percent of USDA's portfolio is more than 20-30 years old. Significant numbers of Section 515 properties will be lost in the next few decades as their loans mature or leave the portfolio for some other reason, usually owner prepayment.

HAC's analysis of maturing mortgages finds an average of 74 properties,

affordable rents, as some properties will not have use restrictions after properties leave the program.

HAC identifies strategies for all stakeholders, including USDA and property owners. Specifically, HAC recommends USDA and the Rural Housing Service be transparent and make data publically available. USDA could also convene and engage stakeholders to share preservation information and best practices. USDA could offer owners incentives to stay in the 515 program. Similarly, owners could lower operating costs to make preservation more feasible.

LIHTC and USDA's Section 538 loan guarantee program are key preservation tools. The LIHTC program could be utilized better to preserve the rural portfolio, specifically the 9 percent credit. Also, reamortizing aging Section 515 loans is a significant preservation strategy. HAC also recommends increased state/local government and private lender involve-

ment for preservation resources, which may come from Fannie Mae and Freddie Mac through the Duty-to-Serve Rule.

According to JCHS, 9.7 million households age 65 and over spent more than 30 percent of their income on housing, making them housing cost burdened in 2016. Of that group, at least 4.9 million spent a minimum of 50 percent of their incomes on housing. Renters are more likely than owners to be cost burdened, including 47 percent of those ages 50-64, 53 percent of those ages 65-79 and 58 percent of those age 80 and over.

Many older households rely largely on Social Security benefits as their main source of income. Indeed, Social Security payments accounted for 69 percent of the income for the median older household in 2016. However, between 2006-2016, Social Security payments rose just 6 percent in real terms while the median rent for households age 65 and over climbed at twice that rate. Looking ahead, the ability

continued on page 14

of many older adults to afford their housing will be closely tied to the fate of the Social Security program.

When housing costs consume a large portion of household budgets, older adults often sacrifice other necessities. According to the latest Consumer Expenditure Survey, severely cost-burdened older households in the bottom expenditure quartile spent 53 percent less on food and 70 percent less on health care than otherwise similar households that live in housing they can afford.

According to the JCHS, homelessness among older adults is increasing. In New York City, which has the nation's largest homeless population, the number of people age 65 and over experiencing homelessness nearly doubled between 2011-2015. A 2013 study, *The Age Structure of Contemporary Homelessness: Evidence and Implications for Public Policy* by Dennis Culhane et al., found that baby boomers born between the mid-1950s and mid-1960s are especially at risk, with homelessness rates twice those of other cohorts at the same age.

In addition, the National Coalition for the Homeless notes that support from major safety-net programs is unavailable to the younger members of this group, with eligibility for Medicare starting at age 65 and for HUD subsidized housing for older adults at age 62.

Supportive services in permanent housing programs could help address the growing needs of low-income and vulnerable older adults. As it is, however, federal funds for new supportive housing for older adults under Section 202 are scarce. In fact, no new construction has been funded through this program since 2012, with current funds covering only renewals on existing housing, service coordination grants and administrative costs.

In addition to helping older adults afford their rents, assisted housing also tends to offer more accessibility and safety features than unsubsidized units. Very few homes are accessible to people with disabilities: As of 2011, only 3.5 percent of housing units in the U.S. had single-floor living, no-step entry and extra wide

hallways and doors that can accommodate a wheelchair.

According to a 2016 Environmental Protection Agency report on climate change and older adults, more than half the deaths from Hurricane Katrina were among those over age 75 and almost half the deaths from Hurricane Sandy were among people over age 65.

JCHS notes that disruptions to health care due to lack of power, road closures and closures of health-care facilities are significant factors, as are hazards that arise after disasters, such as mold in the home. Older adults may also have more difficulty evacuating before a storm. Harvard researchers attempting to estimate deaths in Puerto Rico from Hurricane Maria last year found that the median age of those who left their homes and did not return was 25, while the median age of those who either stayed behind or died was 50.

To read in NAHMA Analysis, *The State of the Nation's Senior Housing Portfolio*, in its entirety, visit the Members Only section of nahma.org. **NN**

Foundation Scholarship Application Available Online

ON JAN. 16, THE NAHMA EDUCATIONAL Foundation released the 2019 scholarship application, which is two weeks earlier than the application has been released in previous years. As a result, the deadline for completed applications—May 15 at 10 p.m. Eastern—has also been adjusted. This change was made to allow more time for administrative processing of applications following the deadline date and subsequent earlier notification to applicants of their outcome status. Applicants can access the application by going to <https://nahma.communityforce.com> or by going to the NAHMA website at www.nahma.org and clicking on the Educational Foundation link. It is a digital application and must be filed online. The requirements for a completed application and the selection criteria remain the same as they have been for the last several years.

Eligibility for the program requires that an applicant be a resident in good standing at an AHMA-affiliated apartment community and be either a high school senior with a minimum grade point average of 2.5, a general equivalency diploma holder or a matriculated student with a minimum grade point average of 2.3 at an accredited college or trade/technical school.

One change to the eligibility requirement is that the foundation will no longer accept applications from students in graduate-level programs. The required application components include an application form, two references, an essay and a certification of resi-

dency in good standing form. Additionally, a grade transcript showing grades through the fall 2018 semester is also necessary and is the only component submitted to the foundation via U.S. mail. All necessary forms are provided within the web-based system, hence, no hard copies are needed.

Last year, the foundation awarded 64 scholarships worth a total of \$160,000 to worthy student residents.

"The foundation is excited about the release of the 2019 application and is looking forward to continuing the outstanding legacy and tradition of awarding scholarships to residents. In our continuing attempt to make impactful awards the scholarships will again each be worth \$2,500 in 2019. We are so appreciative of the steadfast and unwavering support of our donors and sponsors that make this outstanding program possible. Please encourage your eligible residents to take advantage of this fine program," NAHMA Educational Foundation Chairperson Alice Fletcher said.

Please publicize the scholarship program and the availability of the application to your residents and encourage them to apply today. With more than three months remaining in the application window there is plenty of time for a resident to file a completed application. The NAHMA Scholarship Program has established a long and proud tradition of providing financial assistance to student residents. Help us assist your student residents in 2019! **NN**



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“There is no other award that focuses so comprehensively on the everyday life and management expertise of affordable housing properties.”

—NAHMA EXECUTIVE DIRECTOR, KRIS COOK, CAE

HONORING THE TOP COMMUNITIES

NAHMA announces four communities were selected as the 2018 winners of its annual Communities of Quality® (COQ) Awards program. Since 1992, these awards have honored the best multifamily affordable housing communities across the country.

ENTRANTS ARE JUDGED on how they manage the physical, financial and social conditions of their properties, and on how well they convey their success in offering the highest quality of life for their residents.

The 2018 COQ Awards will be presented at NAHMA’s Biannual Top Issues in Affordable Housing winter conference, March 3-5, in Washington, D.C. For details on the NAHMA meeting, visit <https://www.nahma.org/meetings/>.

“There is no other award that focuses so comprehensively on the everyday life and management expertise of affordable housing properties,” NAHMA Executive Director Kris Cook, CAE, said.

NAHMA’s 2018 COQ Awards program is jointly sponsored by HD Supply Multifamily Solutions, a leading supplier of maintenance and renovation products to the multihousing industry, and Navigate Affordable Housing Partners, a leading provider of consulting and development services to public housing authorities and HUD’s Section 8 PBCA for Alabama, Mississippi, Virginia and Connecticut.

NAHMA congratulates the winners. For a more detailed description of each property, visit the COQ Awards Program webpage at www.nahma.org.



EXEMPLARY FAMILY DEVELOPMENT

Mandela Homes Boston, Mass.

OWNER: MANDELA PRESERVATION LLC
MANAGEMENT: BEACON RESIDENTIAL
MANAGEMENT
AHMA: NEAHMA

Mandela Homes is a 276-unit affordable apartment community located in the heart of Boston's Lower Roxbury neighborhood. Of the 1,037 residents at Mandela Homes, 8 percent of the population is 55-plus and 16 percent are considered disabled. Most of the

residents at the community have very low household incomes. And, many of the residents have been living there for more than 30 years. Some have experienced violence due to local gang issues and neighborhood drug activity. Some have had their own challenges with substance abuse issues, poverty and family dysfunction. Helping residents to gain and maintain stability, the property management team includes resident service coordinators who offer a variety of programming to improve resident quality

of life and self-sufficiency. The coordinators provide residents with direct support to access health care and mental health services, connect residents to community resources, and coordinate educational programs and wellness activities to address issues and improve resident quality of life through a combination of on-site recreational and educational programming for all age groups, as well as referrals to community-based agencies.

ABOVE: Mandela Homes

COMMUNITIES OF QUALITY 2018 WINNERS

EXEMPLARY DEVELOPMENT FOR THE ELDERLY

Saint Matthew Manor Philadelphia, Penn.

OWNER: SAINT MATTHEW HOUSING DEVELOPMENT INC.

MANAGEMENT COMPANY: COMMUNITY REALTY MANAGEMENT

AHMA: PENNDEL

Saint Matthew Manor is an affordable senior housing community with 58 units, with seven that are for people with disabilities. Built in the 1990s, and located in the Haddington section of West Philadelphia, the community offers maintenance-free living with engaging social programs. The community has a sizeable list of activities to improve, educate, communicate and embrace the quality of life while increasing a sense of belonging. Programs vary from health-related workshops and initiatives, including flu shots, aging with dignity seminars and health screenings, and well as social and civic activities ranging from an annual resident appreciation barbecue, food sharing program and charity walks, among others. On an ongoing basis, the service coordinator schedules programs according to the needs of the community's seniors. Saint Matthew's staff expects everyone who resides there to feel comfortable, happy and secure as much as possible with all their requests satisfied as they age with dignity at home.

EXEMPLARY DEVELOPMENT FOR RESIDENTS WITH SPECIAL NEEDS

Marlkress Commons Cherry Hill, N.J.

OWNER: NEW JERSEY AFFORDABLE HOUSING PRESERVATION

MANAGEMENT COMPANY: PRD MANAGEMENT INC.

AHMA: JAHMA

Developed in 1994, Marlkress Commons is sponsored by New Jersey Affordable Housing Preservation, as one of four "barrier-free" Section 202/811 properties it oversees in the state. It was the second building in South Jersey to serve this special population. It is a two-story, low-rise 24-unit facility that offers residents a feeling of independence that they cannot experience in a traditional apartment building where their daily needs are not well understood. Home to both seniors and residents with disabilities, the building is meticulously maintained, updated and looks as hospitable as it did the day it opened. As designed, the federally subsidized housing complex features many distinctive amenities to help those with limited mobility live an independent lifestyle. The staff takes special care to be sure that the building meets residents' needs. Marlkress Commons offers amenities that have a direct effect on residents' quality of life and helps to instill a great sense of pride in their home.



CLOCKWISE FROM BOTTOM LEFT: St. Matthew Manor; Marlkress Commons; Atlantic Apartment Homes; Atlantic Apartment Homes



**OUTSTANDING TURNAROUND
OF A TROUBLED PROPERTY**
**Atlantic Apartment Homes
Washington, D.C.**

OWNER: WINNCOMPANIES

MANAGEMENT COMPANY: WINNRESIDENTIAL

AHMA: MID-ATLANTIC AHMA

Atlantic Apartment Homes is a Section 8 multifamily community, formerly known as two separate communities: Atlantic Gardens and Atlantic Terrace that occupy eight acres along Third and Fourth streets in Ward 8, one of the poorest and most crime-ridden sections of Washington, D.C. Atlantic Gardens, built in 1948, features 105 apartments within five three-story garden-style buildings. Atlantic Terrace, built in 1964, is comprised of 195 units in six three- to four-story garden-style buildings. In 2017, WinnCompanies completed a \$69 million rehabilitation that completely modernized both communities, preserving a total of 303 units as critically needed Project-Based Section 8 housing and expanding programs and services geared toward community building and family support. The development team not only addressed the physical and financial aspects of the properties, but it also improved the lifestyles of residents who call the Atlantics home. The staff and community partners are trained in housing stabilization best practices for customer service, resource referrals, housekeeping coaching, eviction mediation, conflict resolution, benefits enrollment and many more areas to ensure residents are stably housed and the Atlantic Apartment Homes can be a platform for opportunity. **NN**



Government Shutdown Ends—For Now

The longest federal government shutdown in history ended Jan. 22 after 35 days. However, the measure that reopened government agencies was only temporary. The continuing resolution funded the affected agencies at fiscal year 2018 levels until Feb. 15, giving Congress three weeks to agree to a budget compromise. Nevertheless, with President Donald Trump still insisting on at least \$5.7 billion for a southern border wall and House Democrats equally opposed to funding the wall, the threat of another shutdown looms large.

On Dec. 21, 2018, funding for about a quarter of federal agencies expired, including the departments of Housing and Urban Development (HUD) and Agriculture (USDA), creating a partial government shutdown. As a result, most HUD and USDA staff were furloughed and those considered essential employees were required to report to work without pay.

The financial impasse stemmed from the president's refusal to sign any funding legislation that did not include the money, he said, was needed for a border wall.

Both the affordable housing management industry and the communities they serve were destabilized by the partial government shutdown. Since the beginning of the shutdown, more than 1,100 affordable multifamily housing contracts affecting roughly 70,000 to

85,000 households were not able to be renewed by HUD, leaving many owners and managers to draw on limited reserve funding, which is set-aside for critical building repairs, to continue to serve their residents. As the shutdown progressed, many of HUD's remaining affordable housing contracts were in danger of running out of essential operating funds, threatening the housing of millions of families, seniors and people with disabilities.

HUD's nonrenewed contracts included hundreds of Section 202 Supportive Housing for the Elderly properties with very little cash flow and few

able to approve families on the wait list for vouchers, which caused further delays in families accessing stable housing and caused vouchers to go unused.

Elsewhere, the USDA direct loan program could not issue any additional funds, and banks were unlikely to close on loans until the shutdown ended. Developers participating in USDA programs faced possible construction delays and increased fees and interest due to the lack of inspectors and mortgage funds. It was also not clear if USDA would be able to continue paying rental assistance or vouchers for vulnerable residents in rural communities.

Both the affordable housing management industry and the communities they serve were destabilized by the partial government shutdown. Since the beginning of the shutdown, more than 1,100 affordable multifamily housing contracts affecting roughly 70,000 to 85,000 households were not able to be renewed by HUD, leaving many owners and managers to draw on limited reserve funding, which is set-aside for critical building repairs, to continue to serve their residents.

options for maintaining access to housing for the elderly, low-income residents. In addition, many senior housing communities have service coordinators under the Section 202 Service Coordinator Grant program. The coordinators are essential in serving residents who rely on home and community-based services to age in place; however, 2019 calendar year grant renewals were not being processed during the shutdown, and job and services were at risk if the grant funding was not finalized.

Other HUD programs, such as Public Housing and the Housing Choice Voucher program, also faced challenges as the shutdown dragged on. For example, Public Housing Agencies (PHAs) had not been

The shutdown also caused widespread financial uncertainty for affordable housing investors and lenders, further constraining the stability of affordable housing access for families across the country. In addition, the Federal Housing Administration (FHA) was not accepting or processing applications for multifamily mortgages during the shutdown.

The HUD Contingency Plan for Possible Lapse in Appropriations can be found at <https://www.hud.gov/sites/documents/HUDCONTINGENCYPLAN-FINAL.PDF>.

The USDA's contingency plan is available <https://www.nahma.org/wp-content/uploads/2018/12/usda-rd-shutdown-plan.pdf>. **NN**



Find the latest updates and resources on the Government Shutdown webpage under the Agencies tab at www.nahma.org.



At HAI Group, we understand the challenges that come with a unique property portfolio for public and affordable housing, which is why we developed our insurance programs to offer coverage for :

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- Low Income Housing Tax Credit (LIHTC) developments
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DATA AND RESEARCH

THAT SUPPORT

AFFORDABLE HOUSING

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

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



Key Housing Legislation Emerges From 115th Congress

Despite continued partisanship and downward pressure on affordable housing program budgets, the 115th Congress was able to make investments and enact meaningful provisions for affordable housing and community development programs before its session expired Jan. 3. Additionally, the sheer number of new housing-related bills that were introduced in Congress elevated the importance of affordable housing and placed the topic squarely on the agenda for the new 116th Congress.

However, bills that were not approved before the 116th Congress took office in January will have to be reintroduced—restarting the legislative process.

LEGISLATION PASSED BY 115TH CONGRESS

Public Law No: 115-141 (H.R.1652): Consolidated Appropriations Act, 2018

Although enacted late into the fiscal year (FY), this large omnibus bill was a significant victory for NAHMA members and communities. The bill provided appropriations for the remainder of FY 2018 for all federal departments, including substantial increases to certain Department of Housing and Urban (HUD) programs and rare new construction funding for HUD Section 202 Supportive Housing for the Elderly and HUD Section 811 Supportive Housing for Persons with Disabilities. Additionally, two key Low-Income Housing Tax Credit (LIHTC) provisions were included in the bill: a 12.5 percent credit allocation expansion for four years and a permanent authorization of the income-averaging option. The Rental Assistance Demonstration program (RAD) was

also expanded to Senior 202 Project Rental Assistance Contract conversions, the RAD unit cap was more than doubled and the program's sunset date was pushed back to 2024. Signed by the president on March 23, 2018.

Public Law No. 115-97 (H.R.1): Tax Cuts and Jobs Act

This comprehensive overhaul of the tax code preserved the LIHTC pro-

gram and retained the tax-preferred status for Multifamily Housing Bonds. While NAHMA and our industry colleagues were able to protect the housing credit throughout tax reform, it was also seen as a missed opportunity to enact LIHTC-strengthening provisions from the Affordable Housing Credit Improvement Act (H.R.1661/S.548). Tax reform also enacted bipartisan legislative language initially introduced by Sen. Tim Scott (R-SC) to improve the economy of distressed areas through a capital gains tax deferral, reduction or exemption in exchange for reinvestment in "Opportunity Zones"—geographically targeted low-income areas designated by state governors. Signed by the president on Dec. 22, 2017.

Public Law No: 115-174 (S.2155): Economic Growth, Regulatory Relief, and Consumer Protection Act

This legislation included provisions from the bipartisan Family Self-Sufficiency Act, which streamlines HUD's Family Self-Sufficiency (FSS) program and expands eligibility to the Project-

Based Rental Assistance space. The provisions relieve some regulatory burden to administer the FSS program, broaden the supportive services provided to participants, and clarify expanded access to the asset-building program. NAHMA did not take a position on the primary portion of this legislation, which overhauls banking and financial reform regulations under the

An additional key NAHMA priority during the 115th Congress was disaster recovery following devastating hurricanes, wildfires and other natural disasters affecting communities across the country. Congress committed significant amounts of disaster recovery funding to affected areas over the course of 2017 and 2018.

2010 Dodd-Frank Act enacted following the 2008 financial crisis. Signed by the president on May 24, 2018.

OTHER ACTIONS

An additional key NAHMA priority during the 115th Congress was disaster recovery following devastating hurricanes, wildfires and other natural disasters affecting communities across the country. Congress committed significant amounts of disaster recovery funding to affected areas over the course of 2017 and 2018. The National Flood Insurance Program was also prevented from lapsing through the enactment of several short-term program extensions.

NAHMA also lobbied on several issues throughout the past two years, in particular to maintain key program budgets during fraught appropriations processes, to stymie efforts to unreasonably adjust HUD Multifamily Housing inspection protocols and to preserve housing credit provisions throughout tax reform.

continued on page 24

Utility costs are the SINGLE LARGEST CONTROLLABLE cost in a multi-family community (25-30%).

• Reduce Operating Expenses • Increase NOI • Boost Property Valuation

Utility Submetering

- Tenant Billing
- Energy Conservation
- Water, Electric, Gas, BTU
- Compatible with Billing Companies

Water Leak Detection

- Monitor Toilets, Showers, Sinks
- Monitors Gallons, Events, Time
- Daily & Instantaneous Leak Reports
- Identify Leaks in Vacant Apartments

Thermostat Control

- Thermostat Controls for HVAC
- Owner Controls Set Points
- Empower Tenant Control
- Control Vacant Utility Costs

Every Drop Counts



Every Degree Counts



LIHTC

Callis Towers
Akron, OH
280 Units



- 560 Water Meters
- Tenant Billing
- Daily Leak Detection Reporting
- LIHTC Property-Senior Housing

Project Savings:
\$23,000

Affordable Housing

Urban American
Roosevelt Island, NY
1,003 Units



- 2400 Programmable Wireless Green Thermostats Controlling 3400 Electrical Baseboard Heaters

Saved 30% in Heating Costs

Section 8

Clinton Place
Mt. Clemens, MI
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- 283 Water Meters and 283 Green Thermostats
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Project Payback:
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NAHMA

LEGISLATION CONSIDERED BY 115TH CONGRESS

During the 115th Congress, various housing-related bills were introduced to address affordability challenges across the country. NAHMA did not take a position on each of these bills, but supported some, while monitoring and analyzing others for their impact on NAHMA members and communities.

The scope of these bills reflect the great diversity of the housing landscape, including the following efforts to preserve affordable units in rural, tribal and high-density areas, and develop new affordable units through tax credits.

S.2574/H.R.5352:

Rural Housing Preservation Act of 2018

Sens. Jeanne Shaheen (D-NH) and Tina Smith (D-MN) and Reps. Annie Kuster (D-NH), Carol Shea-Porter (D-NH) and Rick Nolan (D-MN)

introduced these bills in response to an impending maturing mortgage crisis for rural affordable multifamily housing. The legislation would provide rural housing vouchers to residents who live in properties with prepaid or maturing loans, would decouple rental assistance from the term of the mortgage, and make it easier for nonprofit entities to acquire Section 515 Rural Rental Housing Loans properties. The bills also permanently authorize the Multi-Family Housing Preservation and Revitalization Demonstration Program. NAHMA continues to support this legislation.

Shea-Porter and Nolan retired after the 115th Congress.

S.548/H.R.1661: The Affordable Housing Credit Improvement Act

Introduced by Sen. Maria Cantwell (D-WA) and Senate Finance Committee Chairman Orrin Hatch (R-UT) and by Reps. Pat Tiberi (R-OH) and Richard Neal (D-MA), this bill seeks to expand the LIHTC program and includes additional provisions to make the program more

streamlined and flexible. The legislation would: expand housing credit allocation authority by 50 percent; provide a minimum 4 percent housing credit rate for the acquisition of affordable housing and for multifamily housing bond-financed developments; create incentives for projects that target homeless or extremely low-income individuals and families, as well as in Native American communities; allow a nonprofit or government sponsor to acquire properties when the current 15-year compliance period expires; align LIHTC rules, such as the student rule, more closely with HUD regulations; and more.

The scope of these bills reflect the great diversity of the housing landscape, including the following efforts to preserve affordable units in rural, tribal and high-density areas, and develop new affordable units through tax credits.

Two provisions from this bill were enacted into law through the FY 2018 Omnibus Appropriations Act that passed in March 2018. While the enactment of these provisions represents an important success, NAHMA strongly supports the remaining provisions and continues to advocate for the entire bill's passage.

Hatch and Tiberi are not serving in the 116th Congress.

S.1333: Tribal HUD-VASH Act

Seeking to combat homelessness and improve support services for Native American veterans, this legislation would authorize a joint tribal housing initiative between HUD and the Veterans Affairs Supportive Housing (VASH) program. Despite high numbers of Native American veterans, less than 5 percent of federally recognized tribes have received supportive housing during HUD's current Tribal HUD-VASH demonstration. The bill also fosters collaboration between HUD,

Veterans Affairs and the Indian Health Service in implementing housing initiatives. S.1333 was introduced by Sens. Jon Tester (D-MT), John Hoeven (R-ND), Tom Udall (D-NM), and Johnny Isakson (R-GA) and passed the Senate in May 2018.

S.3231: Task Force on the Impact of the Affordable Housing Crisis Act of 2018

This bill would create a task force to evaluate and quantify how the affordable housing crisis affects life outcomes and increases costs for nonhousing programs at the federal, state and local levels. The task force would also make recommenda-

tions to Congress on how to use affordable housing to improve the effectiveness of other federal programs. NAHMA supports this bill's passage, which was introduced by Sen. Todd Young (R-IN) in July 2018.

S.434/H.R.1145: Housing for Homeless Students Act

This legislation amends the IRS housing credit guidelines to qualify low-income building units that provide housing for homeless children, youth and veterans who are full-time students. In order to become eligible for the LIHTC, the building units' student residents must have been homeless during any portion of the preceding five years for veterans or seven years for children and youth. Sens. Al Franken (D-MN) and Rob Portman (R-OH) and Reps. Keith Ellison (D-MN) and Erik Paulsen (R-MN) introduced this legislation, which NAHMA supports.

Franken, Ellison and Paulsen are not serving in the 116th Congress.

H.R.1260: Generational Residences

and Nurturing Dwellings or GRAND Act

This bill establishes an assistance program for up to five eligible non-profit organizations for the purpose of expanding the supply of specialized housing and social services for elderly relatives who are raising a child who is a minor. Rep. Jose Serrano (D-NY) introduced this legislation in 2017.

S.1949: Affordable Housing for Educational Achievement Demonstration (AHEAD) Act

The bill encourages housing authorities, school districts and community partners to work together in unprecedented ways to coordinate and improve educational and housing outcomes for homeless children. The AHEAD Act would help keep students permanently housed, which could improve attendance in school and reduce learning loss. Introduced by Sen. Patty Murray (D-WA), who is a strong champion for the LIHTC program.

H.R.5793: The Housing Choice Voucher Mobility Demonstration Act of 2018

This legislation authorizes a housing choice voucher (HCV) mobility demonstration to encourage families receiving vouchers to move to lower poverty areas and expand access to opportunity areas. Public Housing Agencies (PHAs) could use administrative fees and reserves, as well as private sector funding to provide mobility-related services. In addition, PHAs could utilize Housing Assistance Payments for security deposits as necessary. Financial Services Subcommittee leaders Reps. Sean Duffy (R-WI) and Emanuel Cleaver (D-MO) sponsored this bill. It passed the House in July 2018 and was sent to the Senate for consideration.

H.R.5735: Transitional Housing for Recovery in Viable Environments Demonstration Program Act or the THRIVE Act

This bill would set aside housing vouchers for transitional housing for substance abuse recovery. Also called the THRIVE

Act, the bill would establish a five-year demonstration program to set aside the lesser of 10,000 vouchers or .05 percent of all vouchers in order to provide housing assistance for 12-24 months to individuals recovering from substance abuse. However, only nonprofits providing drug treatment and services would be eligible to administer the vouchers not PHAs. Amendments to provide new funding for the demonstration program—as opposed to setting aside existing vouchers—and to require PHAs to administer the vouchers and housing services in partnership with nonprofits were not adopted by the committee. The THRIVE Act was introduced by Rep. Andy Barr (R-KY) and passed by the House in June 2018.

S.1638/H.R.2069: Fostering Stable Housing Opportunities Act of 2017

This legislation amends the Housing Act of 1937 to give public housing occupancy, Section 8 housing assistance and rural rental assistance preference to children who are aging out of foster care and are at-risk for homelessness. The bills would effectively set a preference across affordable housing programs for children aging out of foster care. Rep. Michael Turner (R-OH) and Sen. Chuck Grassley (R-IA) introduced the bills in 2017.

S.32050/H.R.3670: Rent Relief Act of 2018

This legislation would establish a two-tiered renter's tax credit. Specifically, the bill provides a refundable tax credit to renters paying more than 30 percent of their income on rent for a primary residence at fair market value. Renters of subsidized housing could qualify for a tax credit equal to one month, or 1/12th, of their annual tenant rent contribution. The legislation was introduced by Rep. Scott Peters (D-CA) and by Sen. Kamala Harris (D-CA) in the summer of 2018; similar legislation was introduced by Sen. Cory Booker (D-NJ), whose bill includes a provision to adjust zoning for more equitable housing access and investment.

S.3503/H.R.7262: American Housing and Economic Mobility Act of 2018

Sen. Elizabeth Warren (D-MA) and Rep. Cedric Richmond (D-LA) introduced comprehensive legislation aiming to make housing more affordable over the long term. The far-reaching legislation would increase federal investment in housing programs, incentivize alleviation of restrictive zoning laws that contribute to the cost of housing development, increase fair housing protections and provide mortgage assistance to historically underserved populations and homeowners impacted by the Great Recession (December 2007-June 2009). Specifically, the legislation calls for using federal funds to build 3.2 million affordable housing units over 10 years. The bill would also create an infrastructure grant program to incentivize local governments to address restrictive zoning laws, while also broadening Community Reinvestment Act requirements to include credit unions and community banks. The measure also provides down payment assistance aimed at borrowers historically denied mortgages, as well as families who have not recovered from losing homes during the financial crisis. The bill also proposes adjusting the Fair Housing Act to include protections for gender identity, sexual orientation, marital status and source of income. To fund the proposals, the bill would repeal recent estate tax cuts for the wealthiest families.

S.3612: Fair Housing Improvement Act of 2018

Sen. Tim Kaine (D-VA) and Orrin Hatch (R-UT) proposed legislation to expand protections under the Fair Housing Act to include source of income and veteran status. The legislation would prohibit the two additional types of discrimination alongside the current prohibitions against discrimination on the basis of race or color, religion, sex, national origin, familial status or disability.

Hatch retired after the 115th Congress. **NN**

Thank You to NAHMA Educational Foundation Supporters

The NAHMA Educational Foundation thanks its generous supporters of 2018. Their contributions benefit post-secondary school scholarships to residents of NAHMA- and AHMA-member properties.

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NAHMA is excited to announce the winners of its annual Industry and AHMA Awards, which will be presented at its March 3-5 meeting in Washington, D.C. The list of award winners includes both individuals and organizations whose professionalism, dedication and accomplishments in assuring quality housing for low-income Americans raises the standards of the multi-family affordable housing industry. More detailed descriptions of award winners will be provided in the March-April issue of *NAHMA News*.

NAHMA INDUSTRY STATESMAN AWARDS:

Don Beebout and Scott Reithel

Given annually to NAHMA Executive Council members who are either in or nearing retirement, in recognition of many years of outstanding leadership and service to NAHMA.

Don Beebout, SHCM, NAHP-e, who recently retired as vice president of Showe Management Corporation, has been instrumental in the advancement of the affordable housing industry in Ohio. He has worked tirelessly as an industry advocate providing a strong and reasonable voice for owners and managers. His vast experience in affordable housing, including his previous experience with the Department of Housing and Urban Development (HUD), has proven an invaluable resource to NAHMA, of which he is a founding member, over the past two and a half decades. Additionally, he has served as a past treasurer and board member of NAHMA and has attended NAHMA meetings consistently for more than 35 years.

Scott Reithel, NAHP-e, CGPM, who recently retired as vice president of Community Housing Partners, began his multifamily property management career 40 years ago and has been a property management executive for several national and regional property management companies. He has been a property management instructor with the Milwaukee Area Technical College and is a guest lecturer at Virginia Tech. He is active in NAHMA, where he is a past president and was named an emeritus member in 2018. He was involved in NAHMA where he was a three-time past president and a board of directors member. He also served as the vice chair of the NAHMA Educational Foundation and is a certified member of the Institute of Real Estate Management.

NAHMA INDUSTRY ACHIEVEMENT AWARD:

Cindy Lamb, Matt McGuire, Heather Staggs and Gwen Volk

Given annually to a NAHMA Executive Council member who has contributed significant or noteworthy leadership or other contributions to NAHMA within the past year or two.

Cindy Lamb, SHCM, NAHP-e, the corporate controller of CSI Support & Development, and **Matt McGuire**, the director of housing for National Church Residences, are being honored for their commitment of time and outstanding leadership to NAHMA as the 2017-2018 vice chair and chair of the NAHMA Regulatory Affairs Committee. In addition, their support in putting together the Management Occupancy Review (MOR) survey and helping analyze the results, was instrumental in NAHMA's ability to publish a thorough and meaningful survey report. For 2019-2020, Lamb will serve as chair of the Regulatory Committee, while McGuire will serve as vice chair of NAHMA's TRACS and Contract Administration Committee.

Heather Staggs, CPO, FHC, SHCM, president of S.T.A.R. Momentum Compliance Consulting Inc., and **Gwen Volk, SHCM, NAHP-e, CPO, FHC**, president of Gwen Volk INFOCUS Inc., both serve as NAHMA-approved credential course instructors. Additionally, both have held leadership roles with NAHMA committees including Volk serving as the 2019-2020 chair of the Certification Review Board, and Staggs serving as the 2019-2020 Education & Training Committee vice chair. The pair is being honored specifically for their generous commitment of time, leadership and expertise to NAHMA in creating the new One-Day CPO

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AFFORDABLE HOUSING'S BEST, *continued from page 27*

course that provides a new educational opportunity to NAHMA and AHMA members.

INDUSTRY PARTNER AWARD:

Delton Nichols

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.

Delton Nichols, who recently retired as the director of the HUD Real Estate Assessment Center (REAC), is being honored for his leadership in developing, shaping and administering the REAC, as well as his commitment to a partnership and open dialogue with property managers and owners of affordable rental housing. He was a frequent panelist at NAHMA's annual meetings.

AHMA OF THE YEAR

Given to AHMAs using criteria such as size, number of members, success in membership recruitment, membership retention, education and training course attendance, financial stability and other factors.

Large: SAHMA was able to recruit 42 new members out of a pool of 53 leads for 2018, all while the association maintains a 91 percent retention rate. SAHMA, which covers eight southeastern states and the Caribbean, held 58 educational events drawing more than 895 students. Additionally, SAHMA held one regional and eight state-level meetings that attracted 3,663 participants.

AHMA COMMUNITIES OF QUALITY PROGRAM AWARD

Given to AHMAs according to size that have a substantial number of COQ awards in their area, demonstrate support for the program, and introduce new or innovative activities.

Large: SAHMA has 566 COQ National Recognition Program participants, with 39 new communities since the previous year. In addition, 10 SAHMA member companies have received the Communities of Quality Corporate Partner Designation.

AHMA INNOVATION AWARD

Given in recognition, by AHMA size, of a new program, service or activity that an AHMA began sometime in late 2017 or in 2018.

Large: SAHMA established the Affordable

Housing Advocate Award to honor and recognize those who have demonstrated great leadership, support and commitment to affordable housing. The SAHMA board of directors and leadership collaborated to develop an appropriate set of criteria the award nominee must meet to qualify as a potential recipient. Recipients are evaluated on their track record and commitment of support and being vocal advocates on behalf of affordable housing. These leaders could have introduced or co-sponsored legislation, been part of key committees in support of affordable housing initiatives, or been part of a movement to affect positive changes or new solutions in affordable housing.

Small: AHMA East Texas, in the wake of Hurricane Harvey in 2017, created a Disaster Plan course where by all participants would not only gain an in-depth familiarity with the HUD Handbook Chapter 38: Multifamily Emergency/Disaster Guidance, but would leave the course with a functioning disaster plan that is adaptable to the unique characteristics of any property. This plan is also suitable for any man-made, local disaster or widespread presidentially declared disaster. Forty-one of AHMA East Texas' 72 members attended the disaster training and left with a ready-to-use plan, representing 57 percent of the association's membership.

NAHMA COMMUNITIES OF QUALITY AWARD

Given annually to a NAHMA Executive Council member who has the most newly listed properties on the NAHMA National Recognition Program COQ Registry—based on data maintained by NAHMA staff.

Most new in 2018 is awarded to **Michaels Management**, formerly known as Interstate Realty Management Company, Marlton, N.J.; **Community Realty Management**, Pleasantville, N.J., earned second place; and **Burlington Capital Properties**, Omaha, Neb., was named honorable mention.

NAHMA PRESIDENT'S AWARD

Given annually by NAHMA's president for outstanding leadership or other contribution to NAHMA and the affordable multifamily housing industry—to be named by NAHMA's president at NAHMA's annual winter meeting during the March 4 awards ceremony. NN

Nominate Your Community For the Vanguard Awards

The deadline for nominating a property for one of NAHMA's 2019 Affordable Housing Vanguard Awards is June 7. The application can be downloaded from the Vanguard Award webpage, www.nahma.org/awards-contests/vanguard-award.

The Vanguard Award recognizes new, quality multifamily affordable housing development or significant rehabilitation of an existing property or structure. The award pays tribute to developers of high-quality affordable housing; demonstrates that exceptional new affordable housing is available across the country; demonstrates the creativity and innovation that must be present to create exceptional properties given the financing and other challenges to development; highlights results of private-public partnerships required to develop today's affordable housing; and shares ideas for unique design and financing mechanisms with industry practitioners to further stimulate creative development in the affordable multifamily industry.

"The Vanguard Award complements NAHMA's Communities of Quality (COQ) National Recognition Program, through which multifamily properties are certified as having achieved a high standard of excellence in the way they are managed, the services they provide residents, the experience and training of personnel, and other criteria," said Kris Cook, executive director of NAHMA. "The Vanguard Award was created to honor communities that are too new to meet the qualifications for the COQ program. As the properties mature, they will become eligible—and will be encouraged—to enter NAHMA's COQ National Recognition Program."

THE VANGUARD AWARD CATEGORIES

Categories include: New Construction, two subcategories: more than 100 units and under 100 units; Major Rehabilitation of an Existing Rental Housing Community; Major Rehabilitation of a Nonhousing Structure into Affordable Rental Housing; Major Rehabilitation of a Historic Structure into Affordable Rental Housing

WHO MAY APPLY

Affordable multifamily housing communities that are less than 3 years old—as of June 7, 2019—may apply, based on date of completion of new construction or completion of major rehab. Please note: A management company may submit only one entry for each category.

WHERE AND WHEN TO APPLY

Applications and information about entry fees, judging criteria, the benefits of winning an award and more is on NAHMA's website at nahma.org. Click on Vanguard Award Overview.

THE AWARDS CEREMONY

Winners of the Affordable Housing Vanguard Awards will be recognized at an awards ceremony at the NAHMA fall meeting in Washington, D.C., Oct. 27-29.

REGULATORY WRAP - UP

HUD NEWS

ON JAN. 4, THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

announced the delay of TRACS Release 2.0.3.A implementation and the cancellation of the TRACS Industry Working Group Conference originally scheduled for Jan. 14-15. The forms for TRACS are still pending Office of Management and Budget approval, therefore, the Feb. 1 implementation date has been postponed. A new implementation date will be set after approval. The Office of Multifamily Housing Programs will publish a stakeholder notification with the OMB approval of HUD's new and/or revised forms and new expiration dates for HUD forms on the TRACS documents page: https://www.hud.gov/program_offices/housing/mfh/trx/trxsum.

THE OPERATING COST ADJUSTMENT FACTORS FOR 2019

were published on Nov. 23, 2018, in the *Federal Register*. These factors are used for adjusting or establishing Section 8 rents under the Multifamily Assisted Housing Reform and Affordability Act of 1997, as amended, for projects assisted with Section 8 Housing Assistance Payments. The factors became effective Feb. 11, 2019, and can be found at <https://www.gpo.gov/fdsys/pkg/FR-2018-11-23/pdf/2018-25440.pdf>. Utility Allowance Factors for 2019, which may be used to adjust baseline utility allowances prepared in accordance with Housing Notice 2015-04, are also now available on HUDUser

at <https://www.huduser.gov/portal/datasets/mauf.html>.

NOTICE H 2018-09, REVISED CONCENTRATION OF PRINCIPAL RISK CRITERIA,

issued in October, updates past guidance related to identifying and mitigating risks posed to the Federal Housing Administration (FHA) Insurance fund associated with increasing levels of insured loan balances of entities and their identified key principals that intend to submit applications for concentrated risk review. Implementation became effective immediately. To read the notice in its entirety, visit the HUD Issues webpage under the Agencies tab at nahma.org.

IN DECEMBER, HUD ANNOUNCED NEW RENTAL ASSISTANCE DEMONSTRATION (RAD) RENT LEVELS

for 2019 while the RAD application was streamlined and is now a web-based form, which can be found at <http://www.radresource.net/apply.cfm>. After implementing the RAD Public Housing cap increase in July 2018, HUD announced that RAD rent levels will be based on final fiscal year 2018 public housing funding levels for any award issued on or after Jan. 1, 2019. These new RAD rents are now available by visiting https://www.hud.gov/sites/dfiles/Housing/documents/2018_RAD_Rents.xlsx. HUD will utilize these amounts for any new awards issued starting in 2019. In addition, current awardees may request to update rents in their existing commitment

to enter into a housing assistance payment. Visit https://www.hud.gov/sites/dfiles/Housing/documents/FAQs_FY18_RAD_Rent_Updates.pdf for more information.

HUD PUBLISHED SUPPLEMENTAL GUIDANCE ON DAVIS-BACON PREVAILING WAGES

for the Rental Assistance Demonstration in December. Notice H-2018-11 amends earlier notices related to the final implementation of RAD Revision 3 in order to maximize the resources available to make property improvements for low-income households living in properties converting under the Second Component of RAD and to align RAD requirements more closely with the underlying statutory and regulatory Project-Based Rental Assistance requirements related to Davis-Bacon. The guidance can be found at <https://www.nahma.org/wp-content/uploads/2018/12/Supplemental-Guidance-Davis-Bacon.pdf>.

HUD HEADQUARTERS RELEASED A MESSAGE IN DECEMBER TO THE CONTRACT ADMINISTRATOR COMMUNITY

reporting an attempted security breach targeting an owner/agent. Owners and agents were encouraged to share this information with their staff to ensure sensitive information is not obtained by unauthorized individuals. According to HUD, an owner/agent received a phone call from someone portraying themselves as HUD staff and requesting sensitive information. When questioned by the owner, the person disconnected the call. The sensitive information the caller was after included bank account numbers, HUD user IDs, contract administrator's name and role, voucher amounts and other contract specific information. If an owner/agent receives either a phone or email request for sensitive information from a source they do not recognize, they should contact their HUD account executive. If they are unsure of who that contact is or how to reach them, they should contact their contract administrator. **NN**

NAHMA NEWS

Kris Cook, executive director of NAHMA, took part in a Through The Noise interview with hosts Ernesto Gluecksmann and Caroline Broder. To hear the podcast, visit <https://throughthenoise.us/mediacast/404-kris-cook-executive-director-of-the-national-affordable-housing-management-association/>.

A Future of Crampons And College Funds

WHILE TIMOTHY ZALESKI WAS attending the University of Pittsburgh—where he would earn a dual major in economics and business administration—he began working for a developer doing budgets to help pay for tuition.

“They needed help and they were walking distance to campus,” he said. “I took what hours I could give them. After graduation, it was either go to law school or stay.”

So began Zaleski’s 30-year career in the housing industry, first with National

strong and vibrant communities, developing mixed housing. We invest in schools and other infrastructure challenges such as eliminating food deserts. We often build less-dense mixed income housing including LIHTC housing for teachers, firefighters, those that can’t afford to live in many high-cost urban areas.”

Zaleski said the company’s mission is important because of the loss of affordable housing and the fact that people



page 32.

Zaleski enjoys being a part of the affordable housing industry because he said, “It clearly impacts people’s lives and it is easy to see the positive impact on families.”

When he is not working, Zaleski and his family—wife Tracy, Jacob, 6, Emmaline, 5, and Jonathan, 2, enjoy outdoor activities including sailing, skiing, mountain climbing and playing with the family’s new Cavalier King Charles puppy, Obie.

Zaleski has climbed Grand Teton Mountain along with a few others of the so-called “fourteeners,” a mountain peak with an elevation of at least 14,000 feet. Climbing to Mount Everest base camp in the Himalayas is on his bucket list.

“But the next 20 years of my life is all about family and college funds,” he said. **NN**

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

“At McCormack Baron, our company was founded to help find solutions to improve conditions in aging public housing communities.”

Development Corporation and later National Church Residences. Since 2011, Zaleski has been leading operations at McCormack Baron Management, where he is president. As such, he oversees the profit and loss responsibility for the management company and supervises daily operations of more than 300 communities located in every U.S. time zone except Hawaii, as well as roughly 1,000 employees. He is also part of a leadership group that looks at new project opportunities for McCormack Baron.

“I began my career with a company that had market-rate and affordable housing—a varied portfolio,” Zaleski said. “At McCormack Baron, our company was founded to help find solutions to improve conditions in aging public housing communities. Our firm has become experts in collaborating with cities and numerous stakeholders to transform distressed neighborhoods into

cannot live in areas where they work.

“People are starting to realize that residents of affordable housing aren’t very different from the rest of us. In many cases, the primary differentiator is merely the ZIP code they were born in and lack of opportunity. They can’t afford to live in downtown Denver, Los Angeles or the District of Columbia,” Zaleski said. “The perception of affordable housing is becoming more positive.”

In January, Zaleski began his two-year term as NAHMA president. He believes the association can continue to be a leading voice in affordable housing and even expand the definition to include workforce housing. He would also like to see NAHMA continue to be a vocal advocate for the industry by strengthening existing relationships with elected officials and like-minded organizations. To read more about his goals as president, see

Welcome New Members

NAHMA welcomes the following new members as of Jan. 29, 2019.

EXECUTIVE

Jim Baugh, Fairfield Homes, Lancaster, OH

ASSOCIATE

Sarah Furchtenicht, GK Management Co. Inc., Culver City, CA

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/>.

MARCH

3–5

NAHMA Biannual Top Issues in Affordable Housing Winter Conference

Washington, D.C.
NAHMA
703-683-8630
<https://www.nahma.org/meetings/>

7

Death of a Resident

Webinar
SAHMA
800-745-4088
www.sahma.org

12

Intermediate LIHTC Compliance

Richmond, VA
Mid-Atlantic AHMA
804-673-4128
<https://mid-atlantichma.org/>

12–14

LIHTC Compliance

Salem, OR
Oregon AHMA
503-357-7140
www.oregonaffordablehousingmanagement.com

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Documenting Resident Violations

Webinar
AHMA of Washington
360-561-3480
www.ahma-wa.org

South Carolina Add-On: Fair Housing Compliance (FHC) Certification

Columbia, SC
SAHMA
800-745-4088
www.sahma.org

South Carolina Add-On: Maintenance Workshop

Columbia, SC
SAHMA
800-745-4088
www.sahma.org

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You as a Leader: It All Goes Back to Relationships

Webinar
SAHMA
800-745-4088
www.sahma.org

Half-Day Fair Housing

Richmond, VA
Mid-Atlantic AHMA
804-673-4128
<https://mid-atlantichma.org/>

Half-Day Preparing for Physical Inspections

Richmond, VA
Mid-Atlantic AHMA
804-673-4128
<https://mid-atlantichma.org/>

AHMA-PSW Membership Meeting

TBD
AHMA-PSW
866-698-2462
www.ahma-psw.org

Basic Occupancy Training

Tukwila, WA
AHMA of Washington
360-561-3480
www.ahma-wa.org

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2019 SAHMA South Carolina State Meeting for Affordable Housing

Columbia, SC
SAHMA
800-745-4088
www.sahma.org

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Half-Day Fair Housing

Massachusetts
NEAHMA
781-380-4344
www.neahma.org

Reasonable Accommodations

Massachusetts
NEAHMA
781-380-4344
www.neahma.org

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Connecticut Quarterly Meeting

Connecticut
NEAHMA
781-380-4344
www.neahma.org

Basic Plumbing

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

Basic Electrical

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

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Massachusetts Quarterly Meeting

Massachusetts
NEAHMA
781-380-4344
www.neahma.org

Pet vs. Service Companion

Webinar
NEAHMA
781-380-4344
www.neahma.org

Tenant Selection Basics Webinar

SAHMA
800-745-4088
www.sahma.org

Self-Auditing HUD Files

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

Self-Auditing Tax Credit Files

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

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Rhode Island Quarterly Meeting

Rhode Island
NEAHMA
781-380-4344
www.neahma.org

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RD Calculations A.M. Session

San Diego, CA
AHMA-PSW
866-698-2462
www.ahma-psw.org

RD Calculations P.M. Session

San Diego, CA
AHMA-PSW
866-698-2462
www.ahma-psw.org

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Deductions and Rent Calculations

Massachusetts
NEAHMA
781-380-4344
www.neahma.org

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Legal Hot Topics

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

Advanced EIV

Massachusetts
NEAHMA
781-380-4344
www.neahma.org

Service Program on a Shoestring

Webinar
AHMA-PSW
866-698-2462
www.ahma-psw.org

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Rhode Island Agency Breakfast

Rhode Island
NEAHMA
781-380-4344
www.neahma.org

APRIL

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Membership Meeting

Reno, NV
AHMA-PSW
866-698-2462
www.ahma-psw.org

thelastword



A Lot of Work to Do

BEFORE I BEGAN MY TERM AS NAHMA's new president, I capitalized on the opportunity to quiz outgoing president Michael Johnson regarding the future of NAHMA.

Of the many things we discussed, one of the primary focuses was the need for the association to continue to build and maintain a strong bridge with the regulators, funders and underwriters of affordable housing programs.

There has been an ebb and flow of communication with policymakers. Therefore, I look forward to meeting with our elected officials and policymakers in their home regions and their congressional offices to further advance these discussions.

As an organization, we need to continue to stress to our elected officials and policymakers the importance of affordable housing and come to the table not just with "wants and needs," but "ideas and solutions."

Many of the people that have been with NAHMA since its formation are approaching retirement or have already retired. As a result, we are at risk of losing very valuable institutional knowledge. NAHMA offers

excellent certification and credential programs to help those starting their affordable housing industry careers. However, experience is the best teacher, so we need to engage our founding members and utilize a network of well-connected subject matter experts to ensure we are providing the best education and advocacy we can.

We also have to facilitate a succession plan. We have to look at what value-added proposition we offer members in exchange for being a part of NAHMA and actively engaging in the organization. We have to identify ways of recruiting emerging talent within the industry and explore the use of inclusive technologies for multiple generations.

I want to pursue ways of continuing to attract the best and brightest to engage with NAHMA. That includes removing barriers for new members entering the association. We have to find ways for new members to feel welcome and valued within the organization.

Simply put, we have to differentiate ourselves from other organizations and attract younger generations.

None of this is done in a vacuum.

I want to make sure we engage the AHMAs and strengthen our partnerships. The AHMAs are a direct link to the staff that are on the frontlines of providing safe, quality affordable housing. This places the AHMAs in the best positions to share the stories of how a new piece of policy is affecting the industry or suggest ways we can better fill an educational void. The AHMAs have also experimented with new technology and can share their insights on how NAHMA can expand its reach not only across the county, but also across the generations.

I am truly honored to have this opportunity to lead NAHMA. I welcome any ideas you have that can help the association further its mission to promote development and preservation of quality affordable multifamily housing by advancing legislative and regulatory policy and preparing affordable housing professionals to succeed in evolving economic and political environments. **NN**

Timothy Zaleski, SHCM, NAHP-e, is president McCormack Baron Management Inc. and president of NAHMA.