NATIONAL AFFORDABLE HOUSING MANAGEMENT ASSOCIATION

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PROTECTING THE INTERESTS OF AFFORDABLE HOUSING PROPERTY MANAGERS AND OWNERS

IN THIS ISSUE

IRS Issues Guidance on 4% Low-Income Housing Tax Credit

The IRS issued Revenue Ruling 2021-20 and Revenue Procedure 21-43, which establish limitations on the applicability of the 4% Low-Income Housing Tax Credit (LIHTC) floor and provides examples of three scenarios.

- Revenue Ruling 2021-20 provides guidance regarding whether the 4% applicable percentage (4% floor) applies to the low-income buildings described in the revenue ruling. The revenue ruling holds that a draw-down bond that is issued prior to 2021, with draws occurring in a subsequent year, a de minimis—this is, so small as to make accounting for it unreasonable or impractical—§ 42(h)(4)(A) obligation issued after Dec. 31, 2020, or a de minimis allocation of low-income housing credit dollar amount occurring after Dec. 31, 2020, do not cause a building to be subject to the minimum 4% floor.
- Revenue Procedure 21-43 clarifies the ruling. It provides safe harbors for when an § 42(h)(4)(A) obligation or an allocation of a low-income housing credit dollar amount is more than de minimis for purposes of the associated revenue ruling providing guidance on whether the 4% applicable percentage applies to certain low-income buildings. The procedure specifies that a building's financing is not deemed de minimis if the aggregate amount of the post-2020 obligations is at least 10% of the total amount of all obligations that finance the building. A post-2020 allocation of LIHTCs is not deemed de minimis if the allocation is at least 10% of the total allocations to the building that have been made on or before the date of the allocation in question.

IRS GUIDANCE

The Consolidated Appropriations Act of 2021 made the 4% minimum rate available to buildings placed in service after Dec. 31, 2020, that meet the following criteria:

- Any building which receives an allocation of Housing Credit dollar amount after Dec. 31, 2020, and
- In the case of any building, any portion of

To read Revenue Ruling 2021-20, click https://www.nahma.org/wp-content/uploads/2021/12/Revenue-Ruling-2021-20-LIHTC.pdf.

To read Revenue Procedure 21-43, click https://www.nahma.org/wp-content/uploads/2021/12/Revenue-Procedure-2021-43-LIHTC.pdf.

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inside nahma BY KRIS COOK, CAE

We Have the Cure For Zoom Fatigue

IT MAY BE HARD TO BELIEVE, BUT the last time NAHMA held an in-person meeting was in March 2020. Like us, are you suffering from Zoom fatigue?

We have the cure. Join us for the in-person NAHMA Biannual Top Issues in Affordable Housing Winter Conference, March 9-11, in Washington, D.C. Online registration is available on the Meetings webpage at www.nahma.org.

Unlike in-person meetings of the past, we will be gathering Wednesday through Friday.

The multiday event will feature panels concentrating on the issues facing affordable housing and educational topics for navigating today's world led by experts in their fields. Invited guests include representatives from the Housing and Urban Development and Agriculture departments and more.

The meeting will be mandated to comply with the D.C. government coronavirus requirements for large gatherings. We will include a link to the requirements on the Meetings webpage and include any updates in future press releases.

SHINING A SPOTLIGHT ON SUPERSTARS

As is our annual tradition, we start our year by announcing the winners of the 2021 Communities of Quality Awards program and the 2021 NAHMA Industry and AHMA Awards. Even amid these challenging times, affordable housing managers, owners, and developers are doing an outstanding job creating safe, quality homes for the nation's less fortunate. You can read about these remarkable communities and leaders on Pages 16 and 26. The award winners will be honored at the March winter conference.

Additionally, the 2022 Vanguard Award application is available online and is due June 3. 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.

MAKE YOUR VOICE COUNT

One of our greatest wishes for the new year is that this is the year your voice is heard in both houses of 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.

Find tips and other resources under the NAHMA website's Grassroots Advocacy tab.

SUPPORTING EDUCATION

Through the generous support of NAHMA members, the NAHMA Educational Foundation awarded 87 scholarships to student residents from AHMA-affiliated communities.

Thanks to wonderful donors, over 1,000 scholarships have been awarded to 630 different worthy residents for a grand total of more than $2,250,000 throughout the program's history. To see a complete list of the 2021 Education Foundation supporters, please see Page 28.

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 28 for more information. **NN**

Kris Cook, CAE, is executive director of NAHMA.

which is financed with an obligation described in section 42(h)(4)(A), any such building if any such obligations finances such building is issued after Dec. 31, 2020.

The IRS considered three factual situations to determine whether the 4% floor applies under the act.

Situation 1: Draw-down loan with issue date in 2020. "Agency" refers to a state agency with the authority to issue exempt facility bonds to support qualified residential rental projects within the meaning of § 142(d) of the code. Taxpayer X (conduit borrower) and the agency agreed to provide exempt facility bond financing to the conduit borrower to construct a new building for a qualified residential rental project. In 2020, the agency borrowed pursuant to a draw-down loan that qualifies as an issue of exempt facility bonds, and the proceeds of the loan are to be used by the conduit borrower to construct the building. The agency plans to make multiple draws under the loan throughout the construction, depending on the conduit borrower's financing needs at the time. In 2020, the agency drew an amount under the loan that exceeded the lesser of $50,000 or 5% of the issue price. In subsequent years, the agency draws, and the conduit borrower uses, the remaining amounts available under the issue to construct the building. All of the draws on the loan—that is, the bonds of the issue—are taken into account in applying the volume cap for private activity bonds outlined in § 146 of the code. The qualified low-income building is placed in service after Dec. 31, 2020. Any low-income housing credits earned concerning the building meet the requirements of § 42(h)(4)(A) for not counting against the state's housing credit ceiling.

Situation 2: Post-2020 issuance of a de minimis amount of exempt facility bonds. The facts are the same as in Situation 1, except that instead of borrowing pursuant to a draw-down loan that qualifies as an issue of exempt facility bonds, the agency issued an issue of exempt facility bonds in 2020 to finance the conduit borrower's construction of the new building for the qualified residential rental project. In a subsequent year, the agency issues a different issue of exempt facility bonds, not pursuant to a draw-down loan, in a de minimis amount, that the conduit borrower similarly uses to finance the construction of the building.

Situation 3: Additional allocation of a de minimis housing credit dollar amount after 2020. The agency is a housing credit agency that allocates housing credit dollar amounts under § 42(h). In 2020, the agency and Taxpayer Y entered into a binding agreement. Under the agreement, the agency agreed to allocate to Y a housing credit dollar amount for the acquisition of an existing building and an additional housing credit dollar amount for the rehabilitation of the building into a qualified low-income building. In 2020, the agency made allocations both of the amount related to the acquisition and the additional amount related to the rehabilitation. Each allocation qualified for an exception under § 42(h)(1)(E), and thus each was a valid carryover allocation. As a result of those qualifications for an exception under § 42(h)(1)(E), the state's housing credit ceiling for 2020 was reduced by the amounts of the two carryover allocations. Y completes the acquisition and rehabilitation of the building into a qualified low-income building and places the building in service after Dec. 31, 2020. After 2020, but before the building is placed in service, the agency allocates a housing credit dollar amount related to the acquisition of the existing building. This additional allocation is de minimis and reduces the agency's ceiling for housing credit dollar amounts for the year after 2020 in which the allocation is made.

The revenue ruling concludes:

The 4% floor does not apply to the building in Situation 1, which is financed in part with a draw-down exempt facility bond issue that was issued in 2020 and on which one or more draws are taken after Dec. 31, 2020.

The 4% floor does not apply to the building in Situation 2, which is financed in part with proceeds of an exempt-facility bond issue issued in 2020 and in part with proceeds of a different exempt-facility bond issue that is issued in a de minimis amount after Dec. 31, 2020.

The 4% floor does not apply to the building in Situation 3, which receives an allocation of housing credit dollar amount in 2020 and a de minimis additional allocation after Dec. 31, 2020.

When the 4% minimum rate applies to a building, it applies to any 30-percent-present-value applicable percentage used to compute Housing Credits for the building. Therefore, a binding agreement to use a pre-placed-in-service month for determining the applicable percentage is irrelevant.

The guidance is intended to prevent windfalls of credit authority in which a project is structured without the 4% minimum rate and is financially feasible. It is also meant to reduce any incentive for the borrower to seek an unnecessary de minimis amount of bond authority or additional credit authority to get the 4% minimum rate.

Revenue Procedure 2021-43 clarifies an exempt facility bond issue issued after Dec. 31, 2020, that finances the building in question is not de minimis if, as of the latest issue date of any such issue, the aggregate amount of the post-2020 obligations is at least 10% of the total amount of all tax-exempt bond obligations that finance the building. **NN**

The guidance is intended to prevent windfalls of credit authority in which a project is structured without the 4% minimum rate and is financially feasible.

Habitational Risk Solutions

Professional Liability with Tax Credit Coverage

Innovative Professional Liability Coverage for Affordable Housing Markets

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

Policy Highlights

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

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

Proactive Risk Management Strategies

We provide proactive risk management strategies to:

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

The USI ONE Advantage®

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BY LARRY KEYS JR.

A New Year's Policy Update

HAPPY NEW YEAR! WINTER HAS come to the nation's capital. It is practically an annual tradition for the national policymaking apparatus to grind down to snail's pace during the holiday season. The lack of progress is also one of the few things you can find broad agreement on around this town this time of year as most people leave Washington, D.C., in a hurry … LOL! Despite the slowdown, here are a few notable policy updates.

HUD PUBLISHES A DRAFT FY 2022-26 STRATEGIC PLAN

In early December, the Department of Housing and Urban Development (HUD) published a draft fiscal year 2022-2026 strategic plan outlining goals and priorities to enable HUD to achieve its mission. The strategic plan is based on four focus areas and is subject to public feedback. The commenting period ended on Jan. 28.

1. Support Underserved Communities. HUD will fortify support for underserved communities and support equitable community development for all people in America. To support this focus area, HUD will advance housing justice for vulnerable populations and underserved communities by enforcing Fair Housing laws; reduce homelessness by strengthening federal, state, tribal, and community implementation of the Housing First approach to reducing the prevalence of homelessness, with the ultimate goal of ending homelessness; and invest in the success of residents, communities, tribes, and grantees by promoting inclusive community economic development that generates equitable wealth-building, particularly for underserved communities.

2. Ensure Access to and Increase the Production of Affordable Housing. HUD will ensure the housing demand is matched by adequate production of new homes and equitable access to housing opportunities for all people. To support this focus area, HUD will increase the supply of housing by enhance HUD's programs that increase the production and supply of housing across the country; and improve rental assistance to address the need for affordable housing.

3. Promote Homeownership. HUD will support homeownership opportunity and wealth-building in underserved communities by promoting equitable access to credit for purchasing, refinancing, and improving homes. To support this focus area, HUD will advance sustainable homeownership by providing affordable homeownership tools, down payment assistance, and housing counseling; and advance equity in the housing finance system through new policy, programs, and modernization initiatives to preserve and increase the supply of affordable housing while removing barriers to access.

4. Advance Sustainable Communities. HUD will advance sustainable communities by strengthening climate resilience and energy efficiency, promoting environmental justice, and recognizing housing's role as essential to health. To support this focus area, HUD will guide investment in climate resilience, energy efficiency, and renewable energy across HUD investments and disaster recovery and mitigation programs; strengthen environmental justice through federal, state, and local protections for low-income households and communities of color who are disproportionately exposed to health risks, environmental hazards, and substandard housing; and integrate health care, supportive services, and housing policies that recognize housing's role as essential to health.

NEW GINNIE MAE PRESIDENT SWORN IN

Alanna McCargo was sworn as Ginnie Mae's 18th president by HUD Secretary Marcia Fudge in early January. McCargo is the first Senate-confirmed president for Ginnie Mae in nearly five years, and the first woman to hold this position. Before her confirmation, McCargo was senior advisor for Housing Finance to Secretary Fudge. Before joining HUD, McCargo was vice president of the Housing Finance Policy Center at the Urban Institute, where she led and developed evidence-based research and analysis on the U.S Housing Finance system.

THE VIEW AHEAD

The pandemic continues to challenge the nation in different ways and stall key policy action. The Biden administration and Congress will face some deadlines on significant policy items in early 2022. Federal funding runs out on Feb. 18, and the passage of a full-year funding bill is imperative to keep the government operating through the end of September. In addition to funding, the president's domestic policy priorities on voting rights and the Build Back Better legislation will face hurdles in early 2022. The president will need to unify his party, particularly all Democratic Senators, to have any success. In addition, President Joe Biden will have the State of the Union in early March, which outlines his policy priorities to date and where his administration will focus in 2023. **NN**

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

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NAHMA, Industry Partners Comment On AIT Proposed Rule

NAHMA AND 31 OTHER AFFORDABLE housing stakeholder organizations sent a letter to the IRS and the Department of the Treasury urging them to expedite the issuance of a final rule on the Housing Credit Average Income Test (AIT) or announce their intention to publish a new proposed rule for public comment. The letter also included a set of recommendations.

THE LETTER

The undersigned organizations, representing all sectors of the Low-Income Housing Tax Credit (Housing Credit) industry, strongly urge IRS and Treasury to issue a final rule on the AIT minimum set-aside with the consensus modifications noted below or announce its intention to publish a new proposed rule for public comment.

As you know, IRS' October 2020 proposed rule has substantially chilled interest in the AIT set-aside since it was published last year, and we do not expect many developers or investors to elect the set-aside until IRS and Treasury act.

More than 80 Housing Credit stakeholder organizations expressed concerns about the proposed rule via formal written comments in December 2020 and oral testimony at the IRS public hearing on the regulations in March 2021. These stakeholder organizations represent all facets of the Housing Credit industry, including state Housing Credit allocating agencies, multifamily developers, nonprofit organizations, syndicators, investors, state equity funds, legal and accounting professionals, property managers, compliance experts, and others.

While some details of the comments varied, the organizations collectively agreed that the approach initially envisioned in the proposed rule creates a level of risk not intended by Congress that investors and developers will be reluctant to assume.

The groups also agreed that the proposed rule's prohibition against modification of unit designations would make practical implementation of AIT next to impossible, especially for properties financed with multiple subsidies and/or those with rental assistance contracts.

Finally, the organizations agreed that the proposed rule sets up potential conflicts with federal laws such as the Fair Housing Act, the Violence Against Women Act, and Section 504 of the Rehabilitation Act of 1973.

Accordingly, the undersigned organizations urge IRS and Treasury to prioritize issuing a final rule implementing the AIT that makes the following changes: Meeting the AIT minimum set-aside: Below are two slightly different approaches to meeting the average income minimum set-aside test. Either approach would work in practical application.

- **Approach 1:** Consider the AIT minimum set-aside satisfied as long as 40% of the units in the property have a designation that averages 60% or less of area median income (AMI). In addition, the project should meet an overall average test of no more than 60% of AMI across all low-income units. If a unit is out of compliance, causing the project-wide average to go above 60% of AMI, this should be considered noncompliance for that unit, but not a violation of the minimum set-aside, as long as 40% of the units' designations still meet the 60% average. In order for a unit to maintain its designation, the owner must make reasonable attempts to lease the unit at its designation (consistent with IRS Revenue Ruling 2004-82). An out-of-compliance unit should maintain its designation if the owner can demonstrate due diligence when completing the initial income certification. We believe this solution is consistent with a literal reading of the tax code and congressional intent while also providing sufficient penalty for noncompliance without creating excessive and unnecessary risk that will negate investor interest. In addition, the requirement for an owner to demonstrate due diligence for a unit to maintain its designation reduces the risk of bad actors.
- **Approach 2:** Consider the AIT minimum set-aside satisfied as long as 40% of the units in the property are in compliance and have designations averaging 60% or less of AMI. In addition, the project should meet an overall average test of no more than 60% of AMI across all low-income units. If a unit is out of

More than 80 Housing Credit stakeholder organizations expressed concerns about the proposed rule via formal written comments in December 2020 and oral testimony at the IRS public hearing on the regulations in March 2021.

compliance, causing the project-wide average to go above 60% of AMI, this should be considered noncompliance for that unit, but not a violation of the minimum set-aside, as long as 40% of the units are in compliance and still meet the 60% average. As with approach 1 above, we believe this solution is consistent with a literal reading of the tax code and congressional intent while also providing sufficient penalty for noncompliance without creating excessive and unnecessary risk that will negate investor interest.

Examples illustrating both approaches:

A project with 10-units designated in the following manner (project-wide average of 60%):

UNIT	DESIGNATION
101	20%
102	50%
103	50%
104	60%
105	60%
106	60%
107	70%
108	70%
109	80%
110	80%

In this example, Unit 101 is found to have an event of noncompliance under category 11a (Household Income Above Income Limit Upon Initial Occupancy), but the owner can demonstrate due diligence when making that determination.

Approach 1: Unit 101's noncompliance would result in a reduction of the building's qualified basis but would remain designated as a 20% unit for purposes of the project average under IRC §42(g)(C)(ii)(II). Unless the noncompliance is egregious in nature—with conspicuous, flagrant, and systemic noncompliance including the failure to make reasonable attempts to comply with the requirements of the program—or with careless, reckless, or intentional disregard of program requirements, a unit maintains its designation. When an event of noncompliance is determined to be egregious in nature, the unit's designation is no longer included in the project's average. If the project's average exceeds 60% as a result of a unit losing its designation as a result of egregious noncompliance, the project will have failed the minimum set-aside.

Approach 2: While Unit 101 is not in compliance, the AIT minimum set-aside is not violated because Units 102, 103, 104, and 105 constitute 40% of the units in the property and together have an average below 60%. As with approach 1, Unit 101's noncompliance would result in a reduction of the building's qualified basis, but not a violation of the minimum set-aside.

Modifications to Unit Designations: We urge you to allow owners to modify unit designations pursuant to state agency policies. States should be able to allow unit designation modifications to enable floating units, in which the overall property average does not change, and other modifications—even if it changes the average in the property—as long as the average remains below 60% of AMI. Unit designation changes should always be allowed if necessary to adhere to the Fair Housing Act, VAWA, Section 504 of the Rehabilitation Act of 1973, or any other relevant federal or state statute.

Casualty Loss: We urge you to provide an exception and/or additional flexibility when AIT noncompliance results from a casualty loss. The final rule should specify that unit designations should continue to count towards satisfying the project average if caused by casualty loss.

Mitigating Actions: We urge you to modify and expand the mitigating actions described in the proposed rule and the preamble thereto, including by adopting the alternative mitigating action described in the preamble and providing a period of up to one year from the date the noncompliance was discovered for correcting a violation of the minimum set-aside. The final rule should clarify that unit designation changes are considered a mitigating action to correct noncompliance. These changes to allowable mitigating actions will be essential, especially if IRS and Treasury do not change the approach to meeting the AIT minimum set-aside envisioned in the proposed rule.

Existing AIT Developments: If IRS/Treasury do not make the above changes to the rule, we urge you to extend further relief to existing developments that elected the AIT set-aside prior to publication of the proposed rule by providing an opportunity and a reasonable period to choose a different minimum set-aside, and to grandfather existing residents—who have been allowed occupancy in good faith in accordance with the statute and state agency policies—without a reduction in qualified basis.

As always, we greatly appreciate your consideration of our comments as you work to finalize this important program guidance. Please let us know if we can answer any questions or provide additional information to expedite the publication of the final AIT rule. **NN**

A Review of the NLIHC Report

'Out of Reach 2021: The High Cost of Housing'

The National Low Income Housing Coalition (NLIHC)'s *Out of Reach 2021: The High Cost of Housing* is an annual report that quantifies the difference between the average price of a safe, decent, and affordable rental home and how much an average full-time worker and an average low-wage worker would have to earn to afford that home. In October, the report was the subject of a NAHMAnalysis, which can be accessed in the Members Only section of the NAHMA website.

According to the report, before the onset of the COVID-19 pandemic, living in an affordable rental home was not an option for many low-income families and low-wage workers. The 2021 National Housing Wage, or what an average full-time worker would need to earn to afford a rental home without spending more than 30% of their income on housing, is $24.90 per hour for a two-bedroom unit and $20.40 per hour for a one-bedroom unit. Based on the average federal minimum wage, currently, $7.25 per hour, an average minimum-wage earning renter would have to work 97 hours a week to afford rental payments on a plain and simple, two-bedroom home. That same minimum-wage earning renter would have to work 79 hours per week to afford a regular, one-bedroom home. In contrast, the average renter must work 53 hours per week to afford a basic, two-bedroom home. The difference is stark—but so are the similarities. In every single state, the average minimum-wage renter cannot meet their housing obligations without working more than the average full-time 40 hours per week.

With the pandemic still impacting much of the country, the housing crisis that many renters face continues to be dire. The COVID-19 pandemic and the economic shutdowns left a population that was already struggling to make ends meet, teetering on the brink of financial collapse and facing possible eviction. The report describes how the inability of many low-wage workers and low-income families to meet their housing obligations is mainly due to housing costs having outpaced wage increases. Families of color have been disproportionally impacted, with Black and Latino workers earning less than white workers and experiencing higher levels of unemployment. The result is that these populations are more likely to encounter and experience challenges in accessing and maintaining a safe, decent, and affordable home.

Without additional assistance from Congress, many low-wage workers and low-income families will continue to struggle to afford staying in their homes. Other measures, such as further expanding rental assistance to all eligible renters while making sustained investments in the preservation, rehabilitation, and construction of new affordable housing will continue to be needed. Other measures, such as strengthening renters' protections and calls for creating a National Housing Stabilization Fund to temporarily assist renters facing possible evictions, were highlighted as possible remedies.

LOW WAGES AND THE UNAFFORDABILITY OF RENTAL HOUSING

Report findings show low-wage workers experienced the hardest financial shock during the height of the COVID-19 induced economic shutdowns, with many having their working hours reduced while others were laid off from their jobs.

While the current economic struggles experienced by low-wage workers are dire, many workers struggled to meet their rental payments even before the COVID-19 pandemic. For the bottom half of all wage earners, affording a simple home is just not feasible.

According to the NLIHC report, "the inflation-adjusted lowest hourly wage grew by only 6.5% between 1979 and 2021. In contrast, wages for the highest-paid workers grew by 41.3% during the same period. For Latino workers at the 10th percentile, inflation-adjusted hourly wages fell, as did the median hourly wages for Black and Latino men."

There are several explanations for these downward trends in wages, including a gradual, 40-year-long reduction in production and manufacturing jobs. This coincided with an increase of lower-skilled, lower-paying service sector jobs. No-skill and low-skill service sector positions were much more likely to have experienced layoffs or reduced wages during the economic shutdowns. By the end of March 2021, the report estimates that almost 14 million renter households earning less than $50,000 per year had their earnings reduced. Even now, a year and a half after the start of the pandemic, nearly 25% of households are still relying on borrowing from friends and family to help make ends meet. In the last 40 years, wages for high-educated workers rose, and wages for non-college graduated workers fell. Today, these lower wages make it almost impossible for a family to find stability economically now and in the future—whether saving up for a child's college fund or next month's rent.

This is compounded because median renter household wealth has been greatly outpaced by rising median gross rents, spiking considerably over the last 20 years. It is hard to understand

To read the NAHMAnalysis in its entirety, log onto the Members Only section of nahma.org how low-wage families will be able to erase their accrued rental payments and other costs that contributed to their debt without benefitting from further financial assistance. Currently, about 10 million low-wage and low-income renter families are extremely rent-burdened, meaning they spend more than half of their earned income on housing payments. This creates a troubling scenario where a family must weigh their debts and choose where to allocate what little earnings they have. Several decades of reduced wages combined with the current health and economic crisis indicate that even if the economy recovers to pre-pandemic levels, low-wage workers will continue to struggle and experience further housing instability.

Affordable housing is usually out of reach for most working families because rents have risen much faster than wages. Even when factoring in those states that have increased their minimum wage above the federal minimum wage, no low-wage worker in America can afford the cost of a modest, two-bedroom rental home working the average 40-hour workweek. North Dakota seems to be the outlier, where an average renter can afford a modest, two-bedroom rental home payment working an average of 40 hours per week. For a modest, one-bedroom home, only half of the states have housing options for an average renter who meets their rental obligations on time and in full. Several factors outside of employment also contribute to housing instability, such as families having an elderly member who is not part of the workforce, having a household member with a disability, being a single parent, or attending school while also working.

PERSISTENT SHORTAGE OF AFFORDABLE HOUSING

Before the start of the COVID-19 pandemic, finding an affordable rental home was already difficult for most average renters and a downright struggle for low-wage workers and low-income families. Today, for every 100 renters with extremely low incomes, only about 37 affordable homes are available at any given time. While constraints on supply coupled with substantial losses of low-cost rental homes contributed to the rise in cost and decrease in the availability of the affordable rental stock, the supply of affordable housing for low- and extremely low-income families continues to be limited or nonexistent. The economic shocks that the economy suffered during the shutdowns created a perfect storm. Demand for affordable housing increased as homeowners struggling to make their mortgage payments looked at renting as a cheaper option. This, in turn, caused rents to increase at lower-cost properties, putting further strain on already struggling low-income families and low-wage renters.

Without additional assistance from Congress, many low-wage workers and low-income families will continue to struggle to afford staying in their homes.

Today, no state has an adequate supply of affordable rental housing. The lack of affordable housing disproportionately impacts low-wage workers and their families, pushing them deeper into debt and poverty. The report observes that the private market did not adequately provide a sufficient supply of affordable housing for low-income renters before the start of the pandemic. Indeed, more than half of the new rental housing constructed before 2020 was intended for the highest income brackets. With no access to affordable housing, 85% of extremely low-income renters could not meet their monthly rental obligations in 2020, and 70% reported that they spent more than 50% of their incomes on housing costs.

POLICY RECOMMENDATIONS

While acknowledging the help that many renters have been given from federal and state emergency rental relief measures, NLIHC concludes that without a sustained commitment from Congress, millions of low-wage workers and low-income families will continue to experience long-term rental affordability challenges. There are several policy recommendations for Congress to undertake, including providing greater rental assistance, increasing the affordable housing supply while preserving the current stock, and establishing greater protections for renters. Specifically, NLIHC recommends Congress provide universal rental assistance through the Housing Choice Voucher program and expand the Housing Trust Fund to preserve, rehabilitate and construct new affordable housing. Congress should also create a National Housing Stabilization Fund to provide temporary emergency financial relief to families facing a sudden emergency that prevents them from making their full rental payments on time and prohibit housing discrimination through a source of income, along with greater enforcement of the Fair Housing Act, according to NLIHC. **NN**

HUD Reports on Housing Needs

The Department of Housing and Urban Development (HUD) has released the *18th Worst Case Housing Needs* report, which provides national data and analysis of critical housing problems facing very low-income renting families. Low-income renters without government housing assistance are defined as having worst-case needs for adequate, affordable rental housing if they pay more than one-half of their income for rent, live in severely inadequate conditions, or both. Using American Housing Survey data, the report determines that 7.77 million renter households had worst-case housing needs in 2019, and there were only 62 affordable housing units per 100 very low-income renters. Since the report uses data captured just before the 2020 COVID-19 pandemic and its associated economic recession, it includes a Special Addendum to examine the impacts of the recession and relief legislation on worst-case needs.

Worst case needs are a long-standing measure of the extent of unmet needs for affordable rental housing of adequate quality. Renter households are defined as having worst case needs for affordable housing if they have very low incomes—household incomes at or below 50% of the area median income (AMI), do not receive government housing assistance, and pay more than one-half of their income for rent, live in severely inadequate conditions, or both.

The 2022 report to Congress finds that despite favorable economic conditions in the 2017-2019 period, worst-case housing needs persisted across demographic groups, household types, and regions throughout the United States. The unmet need for decent, safe, and affordable rental housing has continued to outpace income growth and the ability of federal, state, and local governments to supply housing assistance and facilitate affordable housing production. As a result, the number of families with worst-case housing needs in 2019 remains modestly below historical high levels recorded since the Great Recession of 2007-2009.

FEW SIGNIFICANT CHANGES

According to the executive summary, there were 7.77 million renter households with worst-case needs in 2019, a statistically insignificant increase of 50,000 cases compared with 7.72 million in 2017.

The latest figure continues to represent an improvement from the overall record high of 8.5 million in 2011. Still, it remains higher than during the years preceding the 2007-2009 recession when there was greater availability of affordable housing stock.

According to the report, the rate at which very low-income (VLI) renters experience worst-case needs has improved only modestly in recent years. The percentage of VLI renters experiencing worst-case needs (the prevalence) was 42.2% in 2019, a slight reduction of 0.5 points from 42.7% in 2017. The number of worst-case needs increased more slowly (0.6%) than the number of VLI renters (1.8%). The prevalence has improved moderately from the highest rate observed since the 2007-2009 recession, 44% in 2011. The most recent biennial change is attributable to three factors: (1) modest income growth among households at the top of the VLI range—those with incomes between 30% and 50% of AMI; (2) a modest decrease in the number of renters with very low incomes receiving housing assistance; and (3) a modest increase in the availability of quality, affordable housing stock for very low-income renters.

Although the relative shares of renters with incomes at and below 30% of AMI—known as extremely low-income, or ELI—and with incomes between 30% and 50% of AMI did not change, the prevalence of worst-case needs increased among the lowest-income group. At the same time, it decreased among the next income group. As a result, ELI renters account for most of the worst-case needs cases: 74% in 2019, a proportion that has not been seen since 2005.

SLIGHT IMPROVEMENTS FOR SOME

According to the report, the percentage of very low-income renters experiencing worst-case needs varied among demographic groups. In 2019, the prevalence of worst-case needs was 55% among American Indian or Alaskan Native households, 53% among Asian households, 45% among Hispanic households, 44% among non-Hispanic white households, and 36% among non-Hispanic Black households and Native Hawaiian or other Pacific Islander households. Between 2017 and 2019, the number of VLI renters with severe problems narrowly decreased by 2% for non-Hispanic whites and 1% for Hispanics but increased by 1.6% for non-Hispanic Blacks and by 2% for other races or other ethnicities. The percentage of VLI renters receiving rental assistance decreased for all racial and ethnic groups between 2017 and 2019.

Three regions—Midwest, Northeast, and South—had an average decline of about 2% in the share of renter households reporting worst-case needs in 2019, while the West saw an increase of almost 7%, offsetting the decreases in other regions, according to the report. The prevalence of worst-case needs decreased in suburbs and non-metro areas between 2017 and 2019, but not in central cities. The greatest decline was in rural suburbs.

The prevalence of worst-case needs slightly declined among all household types, except for households headed by older adults. As the older adult population has increased during the past 10 years, so, too, has the number of older adult households with severe housing problems. The prevalence of worst-case needs decreased by 1 percentage point among households headed by someone younger than 62, while it increased by an equal amount among households headed by an older adult.

Despite minor changes, worst-case needs remained a serious and prevalent problem among all household types in 2019: 40% among families with children and households headed by older adults, 44% among "other family" households, including multiple family members without children, and 46% among "other nonfamily" households consisting mostly single individuals. In absolute terms, worst-case needs involving other nonfamily households increased during the last biennial period. In 2019, the worst-case needs tally included 2.5 million "other nonfamily" households, compared with 2.3 million families with children, 2.2 million older adult households, and 0.7 million "other family" households.

About one in eight renter households with worst-case needs—13%—included people younger than 62 who have disabilities, the report concludes.

The 2022 report to Congress finds that despite favorable economic conditions in the 2017-2019 period, worst-case housing needs persisted across demographic groups, household types, and regions throughout the United States. The unmet need for decent, safe, and affordable rental housing has continued to outpace income growth and the ability of federal, state, and local governments to supply housing assistance and facilitate affordable housing production.

PERSISTENT SHORTAGE OF HOUSING

For most households, worst-case needs are caused by severe rent burdens—paying more than one-half of income for rent. Inadequate market supply, competition for affordable units, and a shortage of rental assistance continued to pose a substantial challenge for VLI renter households in 2019. Inadequate housing quality caused only 3% of worst-case needs, according to the report.

The net increase in worst-case needs by 50,000 cases between 2017 and 2019 is attributable to a combination of the demographic changes affecting the number of unassisted VLI renter households and the housing market's response to such quantitative drivers of affordable housing demand.

Contributing most to the increase in worst-case needs were household formation, primarily among households with extremely low incomes, and the widening of the already unsettling gap in housing assistance relative to households eligible to receive it. Although rising incomes in a strengthening economy lifted some renter households with incomes between 30% and 50% of AMI out of the VLI population, there were larger increases in the number of ELI renters. The modest rise in homeownership rates was the only demographic factor that helped improve the picture of the worst-case need between 2017 and 2019, according to the report. The primary force helping to reduce housing problems in 2019 could be considered economic rather than demographic: improved availability of affordable units in the housing market associated with slightly less severe competition.

The market's easing competition among renters for affordable units successfully offset much of the potential increase in worse-case needs through 2019. The net increase attributed to demographic changes was reduced an estimated 81% by modest expansion in rental supply and associated changes in the availability of affordable VLI units. If the supply of affordable rental units fails to increase at the same rate as the renter population, greater demand would be expected to increase competition for affordable units, drive up rents, and increase the prevalence of worst-case needs. Competition may include higher-income households choosing to occupy units that would be affordable to households with significantly lower incomes, making those units unavailable to those with greater needs.

By the end of 2019, an increase of 771,000 rental units affordable and available to VLI renters exceeded the increase of 321,000 VLI renter households. However, the increase of affordable and available units by 137,000 fell short of the increase of 200,000 renter households in this group for ELI renters.

With modestly improved supply, rents did not increase as much as renter incomes between 2017 and 2019. Median housing costs increased by 8.1%, building on a similar increase in the prior period incomes. The mean change in renter income from 2017 to 2019 was 13%, greater than the median change of 10.8%. This mean value was influenced by a 17% increase in income for the subgroup of households with incomes exceeding 120% of AMI and, on the

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other hand, by an increase of about 4% for ELI renters, which was less than one-half that of any other income group.

Similarly, compared with an increase in median housing costs of 8.1%, mean housing costs increased by 9.1% among all renter households. For the ELI renter subgroup, however, housing costs increased by 12% during the two years. As a result, the housing costs of ELI renters increased almost three times faster than their incomes from 2017 to 2019. This growing financial challenge explains why the prevalence of severe problems among ELI renters increased from 48.1% in 2017 to 49.2% in 2019.

Although the supply of rental units slightly expanded in 2019, rental housing production has significantly lagged behind household formation since 2010.

After 2017, there was some improvement, with the ratio increasing from 59 units per 100 renter households in 2017 to 62 units per 100 renter households in 2019. For ELI households, the ratio of affordable and available units did not change. There were only 40 affordable and available units for every 100 ELI renter households in 2017 and 2019. Increasing affordable housing supply by providing rental and sustainable homeownership options for households across the income spectrum, including expanding rental assistance, particularly for poorer households, will be necessary for reducing worst-case needs during the next decade.

REPORT CONCLUSIONS

According to the report, worst-case housing needs worsened slightly, but statistically insignificantly, between 2017 and 2019 due to household formation, namely new households formed due to population increase, and widening the rental assistance gap for eligible very low-income households. Reductions in worst-case needs generally result when economic growth improves household incomes and when affordable housing production is sufficient to reduce market rents or, alternatively, when rental assistance rates increase.

The leveling between 2017 and 2019 of housing problems among the nation's VLI renter households is primarily attributable to a more adequate housing market response to quantitative changes in demand for VLI-affordable rental units. The progressive response of the housing market blunted the potential increase in worst-case needs cases resulting from demographic and economic factors—especially household formation, income loss, and the widening gap between renter households eligible to receive housing assistance and those receiving it. Households reporting assistance decreased slightly even as the number of VLI renter households expanded. An improved housing market response that included modest housing production helped increase the availability of affordable units for VLI renters. However, ongoing demand for more affordable units from higher-income renters continues to constrain availability and prevent major reductions in worst-case needs cases.

Three of five ELI renter households and three of eight VLI renter households continued to lack access to affordable and available housing units as of 2019. Rental housing assistance—such as HUD programs, other federal programs, states, or localities—helps many vulnerable renter households with such limited incomes. Among VLI renters in 2019, 27% of households avoided worst-case needs because they had rental assistance. But rental assistance is in short supply: only about one in four eligible households receive rental assistance because of inadequate funding. Another 30% were able to avoid severe housing problems in the unassisted private rental market. The remaining 42%, however, were left with worst-case needs for assisted or other affordable housing, and almost three-fourths of those were ELI households.

As the economy grew from 2017 to 2019, the production and supply of affordable homes remained insufficient to satisfy the demand for affordable and available units by very low-income renters. A broad strategy at the federal, state and local levels has long been needed to grow the economy, support market production and access to affordable homes, and provide rental assistance to the most vulnerable households. In early 2020, economic stresses associated with the COVID-19 pandemic created new critical needs to prevent eviction.

Several congressional pandemic responses increased federal housing resources during 2020 and 2021. Stimulus funding provided $46 billion to states for Emergency Rental Assistance to assist residents and landlords with pandemic-related rent arrears. HUD's fiscal year (FY) 2021 appropriation increased subsidies for public and assisted housing operations by $3.2 billion from FY 2020 levels to address lost tenant rent contributions. The American Rescue Plan Act of 2021 provided $5 billion that funded 70,000 new Emergency Housing Vouchers. The Federal Housing Finance Agency announced a $711 million allocation for the Housing Trust Fund in 2021, representing twice the state funding for housing production as available in 2020. The Treasury Department's $10 billion Homeowner Assistance Fund will help prevent foreclosures that could increase the number of renter households with worst-case needs. The president's FY 2022 budget further proposes funding an additional 200,000 Housing Choice Vouchers and increasing housing production with $500 million of increased funding for the HOME Investment Partnerships program and $180 million to support 2,000 new, permanently affordable units housing for older adults and people with disabilities.

With the expected impact of the COVID-19 pandemic and associated economic difficulties in 2020 and 2021, worst-case housing needs have the potential to increase substantially before HUD's next report. A comprehensive approach to housing policy is needed to address the long-standing and evolving challenge of worst-case housing needs. **NN**

COMMUNITIES OF QUALITY

THREE COMMUNITIES EARN COQ AWARDS

NAHMA is pleased to announce that three communities won 2021 Communities of Quality (COQ) Awards this year. Since 1992, these awards have honored the best multifamily affordable housing communities across the country.

Entrants are judged on how they manage their properties' physical, financial, and social conditions and how well they convey their success in offering their residents the highest quality of life.

The 2021 COQ Awards will be presented as part of a special luncheon and panel discussion with the winners on March 10 during the NAHMA's Biannual Top Issues in Affordable Housing winter conference on March 9-11. 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.

This year's COQ Awards program is jointly sponsored by HD Supply Multifamily Solutions, a leading supplier of maintenance and renovation products to the multihousing industry, and Mohawk Industries, a leading global manufacturer that creates products to enhance residential and commercial spaces around the world.

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

Knightsbridge Apartments
Arlington, Va.

OWNER: WESLEY HOUSING
MANAGEMENT: WESLEY PROPERTY MANAGEMENT
AHMA: MID-ATLANTIC AHMA

The three-story garden-style complex comprises six masonry structures that are joined together to form two buildings around a rectangular-shaped courtyard with connecting walkways.

In September 2020, Knightsbridge earned its place on the Virginia Landmarks Register by the Virginia Board of Historic Resources and is now recognized in the commonwealth's official list of places of historical, architectural, archaeological, and/or cultural significance. It incorporates a mixture of architectural styles and the modest expression of modern design influences.

The design of Knightsbridge and its relationship to the surrounding landscape represents a distinctly mid-20th century idea that distinguishes the apartments from more urban forms of the property type.

Wesley Housing's resident services programming provides an environment that allows residents living at Knightsbridge to build up their lives. Wesley

Entrants are judged on how they manage their properties' physical, financial, and social conditions and how well they convey their success in offering their residents the highest quality of life.

TOP, LEFT TO RIGHT: Knightsbridge Apartments, photo by Halistry; Columbia Tower
ABOVE: Columbia Tower team

and its affiliated property management company, Wesley Property Management, coordinate a full services program for all property residents that is adjusted based on the needs and interests of residents.

EXEMPLARY DEVELOPMENT FOR THE ELDERLY (CO-WINNER)

Columbia Tower
San Diego, Calif.

OWNER: COLUMBIA TOWER

MANAGEMENT COMPANY: GK MANAGEMENT CO., INC.

AHMA: AHMA-PSW

Columbia Tower is a 150-unit 16-story high-rise elevator serviced building featuring affordable single and one-bedroom apartments for residents over 62 years of age or those who are handicapped and disabled. GK Management Co., Inc. has professionally managed the community since it opened in 1984. The property has many amenities, including a pool, Jacuzzi, laundry room, barbecue, and gym. There is also a community room with television, computers, pool table, and library.

Columbia Tower strives to create an atmosphere of community among residents, and one way they create this sense of community is through the recreation program. Each month, the senior program coordinator puts out an activities calendar with various options giving residents as many choices as possible for keeping them as busy as they want to be. Residents can enjoy a game

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of bingo, pursue their hobbies such as painting, or learn new crafts in the recreation room.

EXEMPLARY DEVELOPMENT FOR THE ELDERLY (CO-WINNER)

Mill Pond Apartments
Littleton, Mass.

OWNER: C.A.R.D. INC.
MANAGEMENT COMPANY: PEABODY PROPERTIES
AHMA: NEAHMA

Mill Pond Apartments offers residents the perfect setting for quiet country living. Built on a pond on a dead-end tree-lined road, Mill Pond Apartments features 42 one-bedroom apartment homes and eight congregate housing apartments with a large community kitchen and living space. The community offers manicured lawns and lush landscaping, a vibrant community gathering space and on-site parking. The grounds include a pond with various wildlife, birds, spacious lawns, trees, and open fields. There is also a patio/grill area for the residents to enjoy. Mill Pond's resident programs are led by its on-site certified resident service coordinator, who ensures that residents have a high-quality living environment as well as social and physical activities that enhance their health. The resident service coordinator schedules and organizes many activities for the residents to participate in throughout the year. Weekly "Java on the Pond" coffee hour has been a resident favorite for the past five years. The Littleton Community Gardeners have a monthly craft program for residents from September to April. **NN**

TOP: **Columbia Tower community room**
BOTTOM, LEFT AND RIGHT: **Mill Pond Apartments**


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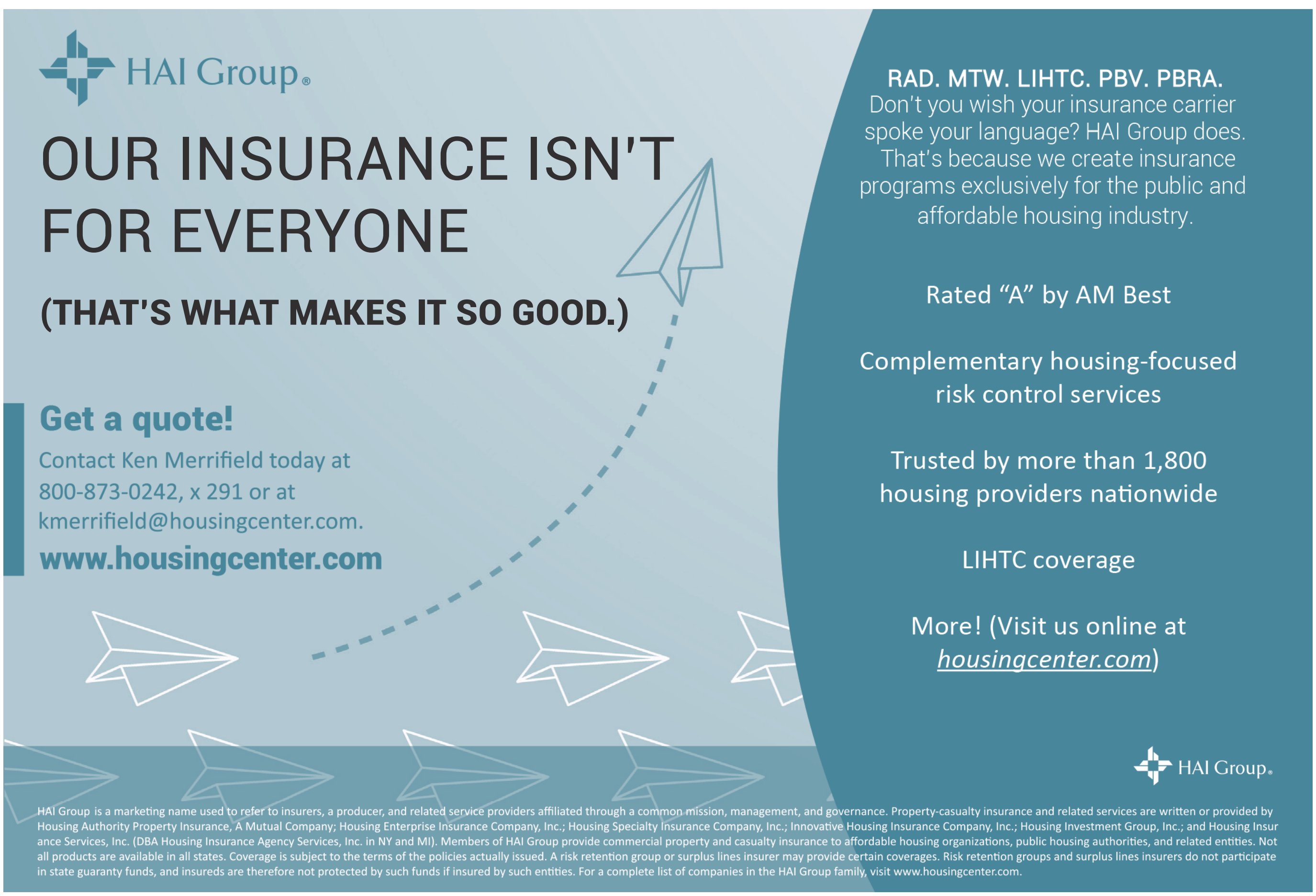
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NAHMA Reviews the IWISH Evaluation Report

NAHMA released a NAHMAnalysis, *Supporting Aging in Place Through IWISH: Second Interim Report from the Evaluation of the Supportive Services Demonstration* in December, which consolidates key findings, as provided in each chapter in the Department of Housing and Urban Development (HUD)'s second interim report on the Integrated Wellness in Supportive Housing (IWISH) demonstration. It provides members a quick overview of relevant findings/information as a guide to take a deeper dive into any aspect of this IWISH evaluation.

Launched in 2017, HUD's IWISH demonstration provides funding for two health and wellness staff positions in HUD-assisted multifamily properties. These two positions are intended to work together to support residents' health and wellness. HUD said the purpose of the IWISH program is "to better address the health, housing, and social service needs of elderly households (adults ages 62 and older). A full-time resident wellness director coordinates health and wellness programming for the property and connects residents to supportive services in the community. An on-site wellness nurse monitors residents' health and wellness and facilitates access to primary and preventive health care. The demonstration provided funding for on-site services staff that goes beyond the resources usually available to HUD-assisted multifamily properties."

HUD is conducting a comprehensive evaluation of the IWISH demonstration. The review consists of "a cluster randomized controlled trial design, in which HUD randomly assigned 124 HUD-assisted properties that predominantly or exclusively serve seniors aged 62 or older to one of the following three groups:

1. 40 treatment group properties received funding to support the resident wellness director and wellness nurse positions for three years, plus supplemental funding to support health and wellness programs for residents and training and technical assistance for staff.
2. 40 active control group properties did not implement the IWISH model and form part of the overall control group for the impact analysis; and
3. 44 passive control group properties did not implement the IWISH model and form the other part of the overall control group for the study's impact analysis, along with the active control group.

The control group properties serve as a comparison for the IWISH properties in measuring the impact of the IWISH model on residents and provide context to inform those findings. The study will compare outcomes for residents living in the 40 treatment group properties with outcomes for residents living in the 84 active and passive control group properties. The evaluation consists of two main analyses: an implementation analysis of the extent to which the 40 treatment properties implemented the demonstration with fidelity to the IWISH model and to identify model strengths and weaknesses, and an impact analysis to assess the effect of IWISH on resident tenancy and health care use outcomes compared with resident outcomes in the 84 control group properties that did not implement IWISH. This Second Interim Report presents the results of the implementation analysis; the impact analysis will be the subject of the Final Comprehensive Report."

HUD said the first interim report presented the characteristics of 4,274 residents living at the IWISH properties, the evaluation treatment sample, in October 2017. The reports said the "typical HUD-assisted resident of an IWISH property as of October 2017 was a 76-year-old woman who lived alone and had resided at the property for about seven years. Most residents were between 65 and 84 years old; the number of residents was about evenly divided between those from 65 through 74 and those from 75 through 84."

KEY FINDINGS FROM THE SECOND INTERIM REPORT

HUD primarily uses qualitative research at the IWISH and active control group properties to produce its second interim report. The report "draws mainly from in-person site visits and in-depth interviews conducted with property and services staff and from focus groups with residents in the summer and fall of 2019, with follow-up telephone interviews conducted in late 2020. The interview data are supplemented with resident and property data from HUD's administrative data system, IWISH program data collected in Population Health Logistics (PHL), and data collected directly from the demonstration properties and resident focus groups …. Although the demonstration officially operated through Sept. 30, 2020, HUD chose to end the analysis of IWISH program data for this report in March 2020, as the work of IWISH staff with residents changed substantially and data entry was less reliable as a result of the COVID-19 pandemic."

When it came to IWISH staffing and support, HUD found that across all sites, IWISH properties were fully staffed with resident wellness directors for most of the demonstration period, and the wellness nurse position was at least partially staffed for most of the demonstration period.

Overall, property managers were minimally involved in implementing the

To read the NAHMAnalysis in its entirety, visit https://www.nahma.org/wp-content/uploads/2021/12/NAHMAnalysis-Supporting-Aging-in-Place-Through-IWISH_Second-Interim-Report-FINAL.pdf.

IWISH program, with most spending less than five hours a week on IWISH activities. Despite the limited time commitment, IWISH staff reported the relationship with property management staff to be important in helping to identify and meet resident needs. Additionally, IWISH staff reported satisfaction with the training and technical assistance provided by the implementation team.

All but two active control sites had a full-time service coordinator who performed a role similar to the resident wellness director in IWISH. No active control sites had on-site health care services comparable to those provided by the wellness nurse. One-third of active control sites had regular visiting health care providers—such as nurses, podiatrists, elder care specialists, dentists, and physical therapists—but they did not provide the same type of services as the wellness nurse. Two-thirds of active control sites did not offer these services.

Regarding enrollment and engagement, HUD found almost 3,000 residents enrolled in IWISH at the 40 treatment sites or 70% of eligible residents. At three sites, 100% of eligible residents enrolled. On average, residents enrolled in IWISH met with one or both IWISH staff a little less frequently than once per month. The number of visits per participant varied widely, ranging from a single visit to enroll in the program to 14 visits per month.

Privacy concerns were named by IWISH staff as the most significant reason for residents not to participate in IWISH or the health and wellness assessments. Language barriers may have hindered program engagement, with non-English speakers meeting slightly less frequently with IWISH staff compared with English speakers. Hiring delays and confusion over allowable costs exacerbated this challenge.

Engagement in service coordination at the active control sites was less formal than in IWISH properties, and participation in service coordination varied more widely in the active control sites than in IWISH properties. At one-fourth of active control properties, service coordinators reported meeting with fewer than 40% of residents at their property

HUD's findings on interviews, assessments, and goal setting found that IWISH staff successfully completed the two-part assessment process with most IWISH participants. By March 2020, 96% of IWISH participants had participated in a person-centered interview, and 89% had completed their health and wellness assessments. Fewer participants set goals related to health and wellness than completed the assessment process or participated in the person-centered interview. As of March 2020, just 61% of residents enrolled in IWISH had one or more goals recorded.

Although staff appreciated the benefits of a centralized system for resident health and wellness data, they reported technical challenges using PHL, the specific system selected for the Supportive Services Demonstration.

Resident participation in assessments and goal setting in the active control properties was similar to IWISH properties. Service coordinators conducted resident assessments at three-fourths of the active control properties and helped residents develop Individual Healthy Aging Plans (IHAPs) at slightly more than one-half. The assessment tools in the active control properties typically included health and wellness assessment questions and tools similar to those in IWISH.

As for enhanced service coordination, HUD found the staff at all IWISH properties reported providing some level of transitional care to their residents. IWISH staff at 33 participating properties conducted in-home visits with residents after in-patient stays. About one-half reported coordinating in-home services for residents when they returned home, and about one-half reported visiting residents during their in-patient stay.

IWISH staff at most treatment properties reported playing a role in resident emergency events, including providing support during the emergency events that occur at the property, providing support and service coordination after an emergency event, and educating residents on how to prevent future emergency events. Staff from one-third of IWISH properties gave examples of when their support averted the unnecessary use of emergency care or services.

Wellness nurses at most IWISH properties helped IWISH participants manage their medications. They most commonly assisted residents with their medication by directly communicating with doctors and pharmacists and educating residents about the purpose of their medications, the appropriate dosage, and potential interactions.

In contrast to IWISH, most service coordinators in the active control properties had little involvement in helping residents self-manage their medication. IWISH staff reported greater interaction with families and caregivers on behalf of residents than did service coordinators in the active control group.

When it came to health and wellness programming and partnerships, HUD found IWISH staff reported that exercise,

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Regarding enrollment and engagement, HUD found almost 3,000 residents enrolled in IWISH at the 40 treatment sites or 70% of eligible residents. At three sites, 100% of eligible residents enrolled.

HUD Releases Report on Feasibility Of Creating an Evictions Database

The Department of Housing and Urban Development (HUD)'s Office of Policy Development and Research (PD&R) released its *Report to Congress on the Feasibility of Creating a National Evictions Database* in response to the joint explanatory statement and the House Committee report supporting the 2021 Appropriations Act.

HUD was tasked with studying the feasibility of creating an evictions database, including collecting information on three types of evictions: formal court-ordered evictions, extra-legal—also called illegal, unlawful, informal or self-evictions—evictions, and administrative evictions.

Additionally, HUD was asked to examine strategies for collecting data on the characteristics of tenants and landlords involved in the eviction process and providing recommendations for statistical analyses of the data collected.

According to the executive summary, the report reflects research into the three types of evictions, including what data sources are available for each eviction type and how researchers and other stakeholders have sought to collect and analyze data related to evictions. PD&R staff consulted with approximately a dozen key stakeholders to learn about the challenges and opportunities for collecting data on evictions.

The report provides background on the need for an eviction database, a detailed discussion of lessons learned to date from efforts to collect data on court-ordered, extra-legal, and administrative evictions, including evictions of HUD-assisted households, and a set of potential approaches for how HUD could move forward to build a national dataset on evictions, assuming additional federal funding and action from Congress.

The report describes a multipronged approach for:

1. Supporting states in submitting records to HUD on court-ordered evictions in a way that guarantees the protection of privacy and legal rights of tenants and landlords, using standardized definitions to avoid misinterpretation of the data. To complement this action, the report said Congress should consider additional funding for technical assistance and capacity-building grants, along with language requiring, to the extent feasible, states to comply with this data collection effort.
2. Enhancing existing Census Bureau surveys, or developing a new survey, to track the prevalence and characteristics of evictions outside of the formal court system.
3. Improving HUD's data collection on evictions from HUD administrated subsidized affordable housing programs.

REPORT CONCLUSIONS

According to the report, an eviction is a life-changing event for the families that experience it, with many negative repercussions on health and future housing stability. It affects many renters, with more than 3 million eviction action cases filed in the courts each year and an equal or greater number of evictions occurring outside the court system. As national, state and local eviction moratoria put in place in response to the pandemic come to an end, the number of households facing eviction may exceed 10 million. Additionally, eviction disproportionately affects renters of color, women, people with children, and other protected class groups under fair housing and civil rights laws.

The report said targeted legal services and eviction diversion programs are effective at helping tenants and landlords avoid eviction court and/or at mitigating the worst effects of an eviction filing. It went on to say greater investment in affordable housing and emergency rental assistance is needed to address the root cause of the eviction crisis.

According to the report, states, localities and federal agents need tools to identify the areas and populations most in need of eviction prevention and diversion services and to track the effectiveness of their interventions over time. Data on the prevalence and change over time of evictions is also critical to inform state and local courts' policies and procedures.

The report concluded numerous efforts are ongoing to collect and statistically analyze data on evictions. The efforts are being led by university-based researchers and by state and local court systems interested in better understanding and addressing the crisis.

The report said collecting, assembling, and correctly interpreting court records across multiple court jurisdictions is enormously complex and time-consuming. Collecting data on extra-legal evictions on a national scale is more complicated because there is no formal record. Accurately describing the characteristics of households and landlords involved in an eviction is challenging because of the minimal level of information typically provided in eviction case records.

The report said that the localized nature of eviction law, court records, and housing market dynamics suggest that there will always be an important role for local research efforts. Local research efforts draw on various data sources and acknowledge the local factors shaping their findings, making them well suited to inform local policy change and advocacy work. However, the scale of the eviction crisis is such that federal intervention is also needed.

To read the report, visit https://www.huduser.gov/portal/sites/default/files/pdf/Eviction-Database-Feasibility-Report-to-Congress-2021.pdf.

Federal investment in affordable housing supply and long-term rental assistance, as well as emergency rental assistance and eviction legal services, is critical, the report concluded. Furthermore, the federal government may also play a role in collecting and analyzing data to inform the most efficient and effective allocation of federal resources. Finally, the federal government may also encourage state and local efforts to track evictions and help fill the gap in understanding the prevalence of evictions that take place outside the court system.

NEEDED ACTIONS

The study identified actions that might be feasible and beneficial for HUD to undertake, with Congressional support, to help increase the availability of data and research related to evictions:

1. Providing grant funds, data standards, and technical assistance to help states to work with their state and local court systems to develop more systematic collection and storage of eviction records, with the long-term goal of creating a robust national evictions database while achieving the short-term benefit of helping states and localities better understand and address eviction trends in their communities.

2. Funding a national survey—or modification to an existing survey—to collect data from a representative number of households on experiences with eviction and housing insecurity, on household characteristics, including protected characteristics under fair housing laws, and factors affecting housing stability.

3. Funding research on eviction topics while states develop their capacity to contribute court records to a national dataset and the national survey is being developed.

4. Working with Congress to ensure that the proper federal protections are in place to protect the privacy and confidentiality of individuals whose data are collected.

5. Working with public housing agencies, owners, landlords, and other federal agencies such as the U.S. Department of Agriculture, to incorporate data collection related to evictions into the routine administrative data collection for federally assisted rental programs.

The report said HUD needs to take several steps to refine and fill out these proposals. One critical step is broader stakeholder engagement on the proposals introduced in the report, along with discussions of other ways HUD and/or other federal agencies could best support state and local efforts to track, analyze, and address evictions. Support from court systems, in particular, is vital to the feasibility of the proposed collection of court records by states and subsequent transmittals to HUD.

It would take time to build broad support and identify a path forward that serves federal goals and aligns with the interests of states, courts, tribal governments, and a comprehensive set of stakeholders.

According to the report, the president's 2022 budget includes resources for HUD's Office of PD&R to conduct the systematic stakeholder engagement, including engagement with Congress, to finalize the proposals and develop accurate cost estimates and implementation plans.

In addition to broad stakeholder engagement on the proposals in the report, HUD also has specific follow-up steps for each type of eviction data collection activity.

Key next steps for court-ordered evictions include:

- Discussion of the feasibility, benefits, and costs of the proposed actions with state and local court systems, tribal courts and tribal representatives, landlords and affordable housing providers, tenants, HUD-funded state and/or local Fair Housing Assistance Program (FHAP) agencies, and HUD-funded state and/or local private Fair Housing Initiatives Program (FHIP) organizations.
- Discussion of the feasibility, benefits, and costs of the proposed actions with the Department of Justice and other federal agencies that could play a role in data collection.
- Engagement with legal services providers, FHAP agencies, FHIP organizations, tenant advocacy organizations, and tenants to ensure that the proposed action steps do not inadvertently harm eviction diversion and prevention efforts.
- Collaboration with existing projects assembling national datasets, such as the Eviction Lab and LSC's Eviction Study, so as not to duplicate work.
- Discussion with Congress about options requiring states to provide eviction data and exempting HUD's database from Freedom of Information Act.

Key steps for extra-legal evictions include:

- Discussions with the Census Bureau about adding eviction questions to existing survey efforts or creating a new survey focused on eviction and housing instability.
- Refining estimates of a needed sample size to achieve reliable estimates, required data collection approaches, and associated costs.

Key steps for evictions of HUD-assisted households:

- Discussion of the feasibility, benefits, and costs of the proposed actions with public housing agencies, owners of HUD-assisted multifamily properties, and landlords participating in the Housing Choice Voucher program.
- Consideration of options for collecting data on evictions from Low-Income Housing Tax Credit-financed housing.
- Discussions with Tribally Designated Housing Entities regarding collecting data on evictions from federally funded housing on tribal lands. **NN**

Build Back Better Act Stalls in Senate

In late December, Senate Majority Leader Chuck Schumer (D-NY) said he wanted to hold a vote on President Joe Biden's Build Back Better (BBB) legislation in January; however, a vote had not been scheduled at press time. An obstacle to the vote arose as Sen. Joe Manchin (D-WV) subsequently announced he would not support the bill. With 48 Democratic senators and two Independent senators who caucus with the Democrats, the Senate is split with the majority and minority parties, each holding 50 seats. In the case of the tie vote, Vice President Kamala Harris (D) would cast the tiebreaker. Manchin's announcement creates a hurdle for Democrats getting the bill passed.

In November, the House of Representatives voted to approve the $1.75 trillion BBB package. The bill includes $150 billion in housing investments, with $26 billion for Housing Choice Vouchers and Project-Based Rental Assistance, and $15 billion to increase the supply of affordable housing through the National Housing Trust Fund and HOME Investment Partnerships program. Specifically, the bill would provide:

- $1 billion for Project-Based Rental Assistance, which can be combined with capital investments through the National Housing Trust Fund and other programs to ensure that newly developed properties are affordable for households with the lowest incomes for at least 20 years. The bill also provides an additional $1.6 billion for revitalizing distressed properties receiving Section 8 Project-Based Rental Assistance.
- $500 million each for the Section 811 and 202 programs for people with disabilities and seniors, respectively. These investments can be used for capital funds and Project-Based Rental Assistance to create more supportive housing.
- $24 billion for Housing Choice Vouchers, including $7.1 billion devoted to serving families and individuals experiencing homelessness or at imminent risk of homelessness and survivors of domestic violence and human trafficking. The rest of this funding would target households with extremely low incomes—below 30% of median income—who struggle to afford housing and frequently find themselves at risk of eviction. Some vouchers will be paired with capital investments to ensure newly developed units are affordable to extremely low-income households.
- The 300,000 new vouchers will be phased in over five years, with funding to maintain them through 2029. This includes providing support to help households with vouchers find units in neighborhoods where they want to live and incentives for landlords to accept vouchers.
- $65 billion to repair and renovate public housing.

Additional affordable housing proposals include:

- $5 billion to address lead paint and other health hazards in the housing stock.
- $3 billion for a new Community Restoration and Revitalization Fund that would provide grants to local partnerships to conduct affordable, accessible housing activities and neighborhood revitalization.
- $2 billion for rural rental housing, including construction, preservation, and improvements for energy and water efficiency, climate resilience, or to remove health and safety hazards.
- $2 billion for grants to improve energy or water efficiency or climate resilience of affordable housing.

The Build Back Better Act also includes investment in the Low-Income Housing Tax Credit, which could finance nearly 812,000 additional affordable homes. Specifically, the bill includes:

- Lowering the bond-financing threshold from 50% to 25% for five years, from 2022 to 2026.
- Increasing the annual housing credit allocation at a rate of 10% per year plus inflation from 2022 to 2024, which amounts to a roughly 41% increase over current levels in 2024, followed by inflation adjustments after 2025.
- Providing a permanent 50% basis boost for properties serving extremely low-income (ELI) households, along with an 8% minimum set-aside for properties taking advantage of the ELI basis boost, as well as a limitation on the amount of allocation and volume cap that can be used for properties receiving the ELI boost.
- Providing a permanent 30% basis boost for properties in tribal areas.
- Curtailing the use of Qualified Contracts by repealing the option for buildings receiving allocations after Jan. 1, 2022, and, for existing properties, changing the price for the low-income portion of a property to fair market value, determined by the allocating agency considering the rent restrictions required to continue to satisfy the minimum set aside requirements. This provision would raise $457 million in revenue from 2022 to 2031.
- Making several modifications to the Right of First Refusal (ROFR) by (i) converting the right to a purchase option for agreements entered into after passage, (ii) allowing the inclusion of partnership assets related to the building in the definition of property; (iii) allowing the option holder to exercise the right of first refusal without requiring the approval of an investor or requiring a bona fide third party offer; and (iv) changing the purchase price to only debt and not debt plus exit taxes. The changes are not intended to change any express provision in an existing agreement. It is estimated that this provision would raise $553 million in revenue from 2022 to 2031. **NN**

To view a section-by-section summary of the Build Back Better Act, visit https://rules.house.gov/sites/democrats.rules.house.gov/files/Section_by_Section_BBB_RCP117-18.pdf.

health education, and fall prevention programs are most beneficial to residents' health and well-being.

Staff at a few IWISH properties reported difficulty accessing the supportive services funding provided under the demonstration grant. Although staff at many properties reported relationships with social service and health agencies in their areas, IWISH staff reported challenges in developing propertywide partnerships with health care providers.

Service coordinators at the active control properties did not report using resident data to develop programming to the same extent as staff at IWISH properties. In addition, services programming at active control properties included fewer health and wellness programs that have been shown to be evidence-based.

Finally, in the area of Key Resident and Staff Perceptions of IWISH, HUD found the staff at more than three-fourths of IWISH properties said that the presence of an on-site wellness nurse was one of the features of IWISH that had the most impact on residents' health and well-being. The second most cited feature was the programming available due to the supportive services funds. Staff perceived that the IWISH model reduced unplanned hospitalizations and increased residents' preventive and nonacute care use.

In their conclusion, HUD said, "the treatment properties implemented the Supportive Services Demonstration with fidelity to the IWISH model. Thirty-three of the 40 sites were rated as having medium or high levels of implementation overall. Still, staff at the IWISH properties reported some challenges in meeting the intentions of the IWISH model. Not all the 40 properties implemented all the core components of IWISH or implemented them fully. The components for which certain IWISH properties had the lowest levels of implementation were developing partnerships with health care providers beyond helping individual residents, developing IHAPs, enrolling residents, keeping the on-site wellness nurse position fully staffed throughout the demonstration period, and conducting medication self-management. Of those components, wellness nurse staffing was considered by study participants to be the most significant indicator of successful implementation. Seven properties were rated as having low levels of implementation in that component. Such vacancies were considered by IWISH staff, property managers, and residents to create challenges for meeting the intended goals of IWISH. Across all 40 IWISH properties, seven properties were rated as having low levels of implementation in at least three core IWISH components." **NN**

NAHMA Honors Affordable Housing Industry's Best

NAHMA ANNOUNCES THE WINNERS of its annual Industry and AHMA Awards, which will be presented during its Biannual Top Issues in Affordable Housing virtual winter conference, March 9-11. The list of award winners includes individuals and organizations whose professionalism, dedication, and accomplishments in assuring quality housing for low-income Americans raise the multifamily affordable housing industry standards. More detailed descriptions of award winners will be provided in the March-April issue of *NAHMA News*.

NAHMA INDUSTRY STATESMAN AWARD

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.

Pam Monroe, who retired as vice president of property management from National Church Residences in 2020, got her first taste of the industry as a part-timer at an apartment community while a senior at the University of Southern Alabama, where she went on to earn a Bachelor of Science in education. She said she wasn't cut out to be a teacher. However, she found a way to feed her passion for education while serving in leadership positions on NAHMA's Education and Training Committee from 2015-2018 and NAHMA's Board of Directors from 2016-2018. Monroe was equally passionate about providing high-quality care, services and residential communities to all seniors. To that end, she advocated for the affordable housing industry, including higher funding for Section 202 Senior Housing and service coordinators and championing the Low-Income Housing Tax Credit.

NAHMA PRESIDENT'S AWARD

Given annually by NAHMA's president for outstanding leadership or other contribution to NAHMA and the affordable multifamily housing industry.

George Caruso's career marks an unparalleled commitment to advancing quality affordable housing for Americans in need, and his service to NAHMA and the affordable housing industry over the years has been tireless, as well as instrumental in advancing NAHMA's mission and affordable housing programs across the country.

NAHMA INDUSTRY ACHIEVEMENT AWARD

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.

Steve Gladman has nearly four decades of experience, from state legislative and congressional experience to chief executive officer experience. His experience in housing and affordable housing began with his role as executive director of the Columbus Apartment Association (CAA) in 1989 and MAHMA in 1997. Gladman developed a strong advocacy program from the local through federal levels and testified before Congress, the Ohio legislature, and city hall more times than can be counted. He worked quietly behind the scenes as a tireless advocate for housing. As a result of his efforts, there is no mandatory inspection fee, no building permit requirement for routine maintenance, no trash collection fee, all proposed and defeated. While leading the CAA and MAHMA, Gladman received numerous accolades for each association at the national level, including AHMA of the Year, Innovation and Membership Recruitment awards from NAHMA.

Daria Jakubowski began her association management career in the 1990s after moving to Washington, D.C. In 1997, she joined NAHMA, managing the education/training and certification programs. She briefly left to work in the multifamily division at the National Association of Home Builders before returning to NAHMA in 2001 as deputy director. Jakubowski was approached by SAHMA leadership in 2004 to fill their executive director vacancy and stayed there until she retired in December 2021. At SAHMA, she oversaw the daily operations, supported the mission, and helped advance the association's strategic plan. Jakubowski served on NAHMA's Educational Foundation Board of Directors from 2016-2021. Upon her retirement, she said she was proud of the growth and change SAHMA has experienced during her tenure and that she was confident that SAHMA is poised to continue to do great things.

Alice Fletcher and Karin McGrath Dunn are being recognized for their commitment of time, energy and leadership as chair and vice chair, respectively, of the NAHMA Educational Foundation Board of Directors. Fletcher, who joined the board in 2016 and will continue to serve as one of the foundation's directors, served as its chair from 2019-2021. McGrath Dunn held the vice chair position from 2019-2021, after joining the board in 2016. Under their leadership, the foundation assigned directors to subcommittees, thereby increasing the board's productivity, and adopted the use of the online platform Give Smart, which streamlined the donation process. In the 2020 pandemic year, the foundation pivoted to a virtual fundraising gala and raised more money than any other period under their leadership. Fletcher and McGrath Dunn greatly increased the foundation's ability to provide deserving residents living in affordable housing with meaningful scholarships to advance their educational goals.

INDUSTRY PARTNER AWARD

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

Jennifer Schwartz, the director of tax and housing advocacy at the National Council of State Housing Agencies, has been a critical industry partner for NAHMA and its members. She is a fierce advocate and champion for the LIHTC. As co-chair of the ACTION Campaign, she routinely works with industry partners to advance policies to expand and improve LIHTC. In addition to LIHTC advocacy, Schwartz has also been an essential voice and leader for implementing the Emergency Rental Assistance program. Over the past year, she has been generous with her time and willingness to engage with NAHMA's staff and members during industry meetings and biannual conferences. She leads NCSHA's multifamily and tax policy team, and oversees the organization's federal legislative advocacy efforts, focusing on LIHTC and private tax-exempt activity Housing Bonds.

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 evaluated and reimagined many of its in-person events due to the pandemic, but most member services continued uninterrupted. It continues to concentrate on providing a diverse and extensive catalog of member services. Additionally, the association established some creative partnerships.

Medium: AHMA of Washington's many accomplishments over the past year include increasing membership, increasing the number of trainings as well as the number of attendees at the activities, holding a successful virtual conference, strengthening its financial position, and absorbing the Affordable Rural Housing Council.

Small: JAHMA successfully implemented a restructuring of its membership tiers, held an in-person fundraiser for the JAHMA Foundation and a creative in-person annual conference, and hosted virtual member town halls and NAHMA credential courses throughout the year.

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 continues to support the COQ program. The association's members have a combined 601 properties that have earned the national COQ recognition and 10 member companies that have received the corporate designation. The association markets the program through social media posts, marketing, and at state conferences and Leadership Conference. It recognizes the properties at each state conference by devoting a page in the on-site agenda to the COQ program. It also provides specially designed ribbons for participants to wear at conferences.

AHMA INNOVATION AWARD

Given in recognition of a new program, service, or activity that an AHMA began sometime in late 2020 or in 2021.

Large: SAHMA canceled all in-person conferences and education for the first half of 2021 due to the pandemic. With safety and quality education in mind, the SAHMA board decided to hold the Southeast Virtual Conference for Affordable Housing and Virtual Maintenance Workshop in addition to continuing to offer live and on-demand webinars, four-hour Zoom classrooms and virtual certifications.

Small: JAHMA moved forward with an in-person Spring Maintenance Event but incorporated technology to allow government speakers to present virtually. All concurrent sessions were recorded and made available to registered attendees through a password-protected platform. JAHMA also integrated an event app that allowed attendees to receive reminders and updates, share photos taken at the event, and connect with other attendees.

AHMA of East Texas, AHMA of Washington and Rocky AHMA created a training coalition and partnership trainings. The collaboration has resulted in increased attendance, revenue and AHMA member opportunities for training. The partnership was divided into two categories: calendar sharing, through which each of the three AHMAs can advertise any of the scheduled trainings on another AHMA's calendar; and revenue sharing, through which the hosting AHMA calculates the per-person profit after all expenses and shares 50/50 with the other AHMAs based on the member attendance from that AHMA.

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.

SPM LLC, headquartered in Birmingham, Ala., is the recipient of the 2021 NAHMA Industry Award for having the most newly certified Communities of Quality in 2021. **NN**

Thank You to NAHMA Educational Foundation Supporters

The NAHMA Educational Foundation thanks its generous supporters of 2021. Their contributions benefit postsecondary school scholarships to residents of NAHMA- and AHMA-member properties.

LEGACY CIRCLE
(Annual Gifts over $25,000)
Stefanie Lee, CAHEC Foundation
Navigate Affordable Housing Partners Eric Q. Strong Scholarship Fund

CHAIRMAN'S CIRCLE
(Annual Gifts of $15,001–$25,000)
Lynn and William Kargman Fund
Dan Lyons, Rockport Mortgage Corporation

BENEFACTOR
(Annual Gifts of $5,001–$15,000)
AHMA of Washington
AHMA-NCH
AHMA-PSW
Nathan Burnett, Watchtower Security Inc.
Alice Fletcher, Park Properties Management Company
Noel Gill, Northwest Real Estate Capital Corp.
John Kuppens, WinnCompanies
Peter Lewis, The Schochet Companies
MAHMA
Jim & Monica McGrath, PRD Management Inc.
Karin McGrath Dunn, PRD Management Inc.
Gemi Ozdemir, Dauby O'Connor & Zaleski LLC
Anthony Sandoval, WSH Management Inc.
Larry Sisson, TESCO Properties Inc.
Laura Spataro, JAHMA
Gwen Volk, Gwen Volk INFOCUS Inc.

SUPPORTER
(Annual Gifts of $2,001–$5,000)
David Becker
Phil Carroll, Community Housing Services Inc.
Alicia Stoermer Clark, Seldin Company
Nancy Evans, CSI Support & Development
Melissa Fish-Crane, Peabody Properties Inc.
Maxx Hofmann, Conner, Strong and Buckelew
Debbie Piltch, Maloney Properties Inc.
Gianna Richards, Solari Enterprises Inc.
SAHMA
Michael Simmons, CRM Residential
Lisa Tunick Reno & Cavanaugh PLLC

DONOR
(Annual Gifts of $100–$2,000)
Kristin Bates
Mike Coco, Choice Property Resources Inc.
Donna Conner
Kris Cook
Megan Davidson, Alliant Insurance Services Inc.
Karen DiNunzio
Rue Fox, ResMan
Tom Gerundo, Navigate Affordable Housing Partners
Carole Glodney
Nancy Hogan, Property Management Operations Consulting LLC
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Greg Proctor, Lumina Partners LLC
Rocky AHMA
Diane Smith, CSI Support & Development
Seth Strongin, Acorn Business Consulting LLC
Sherry Truhlar, Red Apple Auctions
Angie Waller, Cambridge Management Inc.
Robin Williams, Auto-Out Cooktop Fire Protection
Eileen Wirth, MEND Inc.

Scholarship Application Now Available

THE 2022 NAHMA EDUCATIONAL FOUNDATION SCHOLARSHIP season commenced with the release of the application on Jan. 31. To make the application more applicant-friendly and secure more completed applications, the application was thoughtfully revised and will only require a single reference this year. In previous years, two references had been required. This will be the 16th consecutive year that the foundation will be making scholarships available to worthy student residents. "The NAHMA Educational Foundation Board of Directors is hopeful that the changes made for 2022 will bring about a higher number of completed applications. As the pandemic endures, the foundation is endeavoring to expand the number of student residents who can benefit from the NAHMA scholarship program's financial assistance. Each scholarship that was awarded in 2021 was worth $3,500. The feedback from recipients indicates that this was an impactful amount of funding and of great assistance to them. Hence, one of the foundation's goals in 2022 is to increase the number of residents benefitting from a NAHMA scholarship," said NAHMA Educational Foundation Chairperson Alicia Stoermer Clark when the application was released at the end of January.

In 2021, the foundation awarded 87 scholarships worth a total of $304,500. Over the past 15 years, 1,001 scholarships have been awarded worth a total of $2,261,250.

Eligibility for the program requires that an applicant be a resident in good standing at an AHMA- or NAHMA-affiliated apartment community and be either a high school senior with a minimum GPA of 2.5; or a high school equivalency diploma holder or matriculated college student with a minimum GPA of 2.3 at an accredited community college, college, university or trade/technical school. Applications from students in graduate-level programs are not accepted.

The required application components include an application form, one reference, an essay and a certification of residency in good standing form. Additionally, an official grade transcript showing grades through the fall 2021 semester is also required and is the only component submitted to the foundation via mail. All necessary forms are provided within the web-based software; hence, no hard copies are needed.

More than enough time remains between now and the May 12 deadline for a resident to submit a completed application. The foundation urges you to promote the scholarship program and how to access the application to your residents. Please encourage them to get started on completing an application. Over 80% of eligible applicants filing a completed application received a scholarship in each of the last three years. It is definitely time well spent for any qualified student to apply. The NAHMA Scholarship Program has established a proud legacy of providing financial assistance to student residents attending post-secondary school. Please help the foundation assist your residents by making them aware of this terrific program! NN

Applicants can access the application by going to https://nahma.communityforce.com or by going to www.nahma.org and clicking on Educational Foundation under the About Us tab. The application is digital and must be filed online. The deadline for completed applications is May 12, at 10 p.m. Eastern time.

REGULATORY WRAP-UP

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

HUD NEWS

HUD HAS BEEN INFORMED THAT SOME ENTERPRISE INCOME VERIFICATION (EIV) system users are encountering issues when attempting to view EIV reports for some properties, including missing income reports, duplicate employment quarterly wage data, and tenants with incomes on form HUD-50059 are populating on "No Income Reported on 50059" reports. Users experiencing these issues should refer to Handbook 4350.3 REV-1, Chapter 9, par. 9-13 for when independent third-party verification is required and Chapter 5-13 for the hierarchy of acceptable verification forms for the affected income data. For compliance monitoring purposes, copies of EIV reports containing missing, duplicate, or discrepant data should be retained per Chapter 9-14 of HUD Handbook 4350.3. A copy of this message should accompany the retained reports for explanatory purposes.

HUD'S OFFICE OF LEAD HAZARD CONTROL AND HEALTHY HOMES published information regarding agency efforts to combat radon exposure. This includes access to a webinar recording on ways to address radon concerns, information on how to identify and safely fix radon problems properly, and additional educational materials, fact sheets, and resources. To learn more about educational materials for the general public and housing owners, managers, and professionals, visit www.hud.gov/healthyhomes.

HUD AND THE DEPARTMENT OF HEALTH & HUMAN SERVICES' HEALTH RESOURCES & SERVICES ADMINISTRATION are making at-home COVID-19 test kits available to federally qualified community health centers (FQHC). FQHCs/community health centers will regularly request supplies to deliver at-home COVID-19 tests to their patients and their community partners. This includes people experiencing homelessness and residents of HUD-assisted housing. If multifamily owners/management agents would like access to at-home tests for residents, reach out to your FQHC/community health center partners.

IN DECEMBER, HUD PUBLISHED NOTICE PIH 2021-34, EXPEDITED REGULATORY WAIVERS FOR THE PUBLIC HOUSING AND HOUSING CHOICE VOUCHER (including Mainstream and Mod Rehab) Programs. This notice provides information on flexibilities that HUD will continue to provide for the public housing and Housing Choice Voucher programs, even though most regulatory and statutory waivers related to the COVID-19 pandemic will expire at the end of the year.

CONTINUING IMPACT OF COVID-19

IN RESPONSE TO THE CONTINUING IMPACT of COVID-19 and precautions necessitated by new disease variants such as delta and omicron, the IRS has issued Notice 2022-05, extending widespread temporary relief from certain requirements for Low-Income Housing Tax Credit (LIHTC)-financed and private activity bond (PAB)-financed properties, including compliance monitoring notifications and deadlines.

Notice 2022-05 also extends previous relief for the 10% test for carryover allocations, the 24-month minimum rehabilitation period, the placed-in-service deadline, the reasonable period for restoration or replacement in the event of casualty loss, and agency correction periods. The notice also provides an extension to satisfy occupancy obligations, and the closure of amenities or common areas in LIHTC properties due to COVID-19 will not result in a reduction of eligible basis, and essential workers may be provided emergency housing in LIHTC properties.

USDA NEWS

RURAL DEVELOPMENT PUBLISHED AN UPDATED UNNUMBERED LETTER 1-4-22 providing guidance for complying with the requirements of Section 504 of the Rehabilitation Act of 1973, the Uniform Federal Accessibility Standards, and Department Regulation 7 CFR 15b as it pertains to RD Multi-Family Housing Sections 514, 515, 516, 521, and 538/515 housing programs.

FCC NEWS

THE FCC LAUNCHED THE AFFORDABLE CONNECTIVITY PROGRAM (ACP). This investment in broadband affordability will help ensure households can afford the internet connections they need for work, school, health care and more. The FCC also launched a toolkit of materials for partners to download and customize to meet their needs. More materials will be added in the coming weeks, so continue to check the page for new additions. The ACP provides a discount of up to $30 per month toward internet service for eligible households and up to $75 per month for households on qualifying tribal lands. Eligible households can also receive a one-time discount of up to $100 to purchase a laptop, desktop computer, or tablet from participating providers if they contribute more than $10 and less than $50 toward the purchase price. Enrollment in the ACP is open for households with at least one member qualifying under the criteria. **NN**

WITH LAURA SPATARO

BY JENNIFER JONES

A Smooth Transition

WHEN LAURA SPATARO WAS named the executive director of JAHMA and PennDel AHMA a year ago, there wasn't an extensive transition period. Spataro was already familiar with both associations.

"I've worked for them for almost 15 years in administration. My mom, Jo Ann McKay, was executive director. She sold her company to Alta Management when she retired," Spataro said.

Spataro stayed on with the new company and took over as executive director when Monica Pauro left in February 2021.

"Monica and I worked closely together on everything," Spataro said. "I was involved and sitting in on board meetings, so I was up to speed. There wasn't a learning curve. I knew all the people already and had a good understanding of what the associations were about. I really wanted to keep the continuity and pick-up where the previous executive director left off and not have the membership suffer."

Her day is filled with responding to members' needs, scheduling and executing educational offerings, meeting with the board, planning the association's conferences—JAHMA holds a conference in the spring while PennDel holds one in the fall—and JAHMA's annual golf outing. Spataro has an association administrator who helps with administrative duties.

Spataro earned a bachelor's degree in business management from Stockton University in New Jersey and went to work as a conventional apartment manager. She lasted two years before leaving.

"I did not thrive as I thought I should, so I went to work for my mom," Spataro said. "We both thought it would be temporary. When I started working for my mom, she was already managing JAHMA and PennDel AHMA."

"The members are sharing ideas and talking to each other, especially during the pandemic. We've created a Town Hall and a forum where they could share questions to see if anyone else was having the same problems. They are sharing how we can get through this."

Her time as a property manager gives Spataro some insight into what it can be like for the AHMAs' members.

"I did come into it knowing what the day-to-day looks like for a community manager or resident manager. I understand to an extent what their position is," she said.

Even though the two AHMAs are distinct entities with their own geographic membership areas, the members in both associations have a comradery rather than competitive relationships.

"There is a lot of support. No one is on their own," she said. "The members are sharing ideas and talking to each other, especially during the pandemic. We've created a Town Hall and a forum where they could share questions to see if anyone else was having the same problems. They are sharing how we can get through this."

One of Spataro's goals for the AHMAs includes getting back to in-person events and returning to a more normal way of doing things.

"I haven't had this position where we've had a normal calendar year," she said. "I want to engage with members on a more face-to-face basis and have conversations rather than virtual interactions. I'm looking forward to getting everyone back in person and doing it successfully and safely."

Spataro stays busy taking part in outdoor sports and spending time with her family outside of work. She and her husband of 10 years have a 6-year-old son and a 4-year-old daughter. **NN**

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

Welcome New Members

NAHMA welcomes the following new members as of Jan. 26, 2022.

EXECUTIVE

Tiffany Kensey, Edgewood Management, Gaithersburg, Md.

Michael Leithhead, Edgewood Management, Gaithersburg, Md.

ASSOCIATE

Nathan Brown, Westward 360, Chicago, Ill.

EDUCATION CALENDAR

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

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

MARCH

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Calculations 101-Working with Unearned Income
Webinar
AHMA-PSW
866-698-AHMA (2462)
www.ahma-psw.org

Accessibility Requirements
Webinar
Oregon AHMA
503-357-7140
www.oregonaffordable housingmanagement.com

9

South Carolina Conference Add On: Maintenance for Managers (Hands-On)
Columbia, SC
SAHMA
800-745-4088
www.sahma.org

South Carolina Conference Add On: Fair Housing Compliance (FHC) Certification
Columbia, SC
SAHMA
800-745-4088
www.sahma.org

9–11

NAHMA Biannual Top Issues in Affordable Housing Winter Conference
Washington, DC
NAHMA
703-683-8630
www.nahma.org

10–11

2022 SAHMA Affordable Housing Conference: South Carolina
Columbia, SC
SAHMA
800-745-4088
www.sahma.org

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Alabama/Mississippi Conference Add On: Accelerated Certified Professional of Occupancy (CPO) Certification
Mobile, AL
SAHMA
800-745-4088
www.sahma.org

Alabama/Mississippi Conference Add On: Maintenance Workshop
Mobile, AL
SAHMA
800-745-4088
www.sahma.org

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

NAHMA Accelerated CPO
Virtual
JAHMA
856-786-9590
www.jahma.org

15–16

2022 SAHMA Affordable Housing Conference: Alabama/Mississippi
Mobile, AL
SAHMA
800-745-4088
www.sahma.org

15–17

Conquering LIHTC Compliance
Salem, OR
Oregon AHMA
503-357-7140
www.oregonaffordable housingmanagement.com

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Preparing for Physical Inspections
Webinar
Mid-Atlantic AHMA
804-564-7898
mid-atlanticahma.org

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Working with Assets-All Programs
Webinar
SAHMA
800-745-4088
www.sahma.org

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Calculations 102-Working with Earned Income
Webinar
AHMA-PSW
866-698-AHMA (2462)
www.ahma-psw.org

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

22–23

Regional Affordable Housing Conference
Columbus, OH
MAHMA
614-481-6949
mahma.com

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LIHTC: Self Auditing Your File
Webinar
SAHMA
800-745-4088
www.sahma.org

23–24

FHC Course
Virtual
AHMA-PSW
866-698-AHMA (2462)
www.ahma-psw.org

Tax Credit Training & SHCM Exam
Trevose, PA
PennDel AHMA
856-786-2183
www.penndelahma.org

23–24

NAHMA's Fair Housing Compliance Certification Course
Virtual
Mid-Atlantic AHMA
804-564-7898
mid-atlanticahma.org

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Blended Occupancy Challenges
Webinar
Oregon AHMA
503-357-7140
www.oregonaffordable housingmanagement.com

OSHA Reporting & Recordkeeping
Webinar
SAHMA
800-745-4088
www.sahma.org

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

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Understanding Taxable Bonds & Tax-Exempt Bonds
Webinar
Mid-Atlantic AHMA
804-564-7898
mid-atlanticahma.org

APRIL

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Lease Violations
Webinar
AHMA-PSW
866-698-AHMA (2462)
www.ahma-psw.org

Fair Housing (DPOR)
Webinar
Mid-Atlantic AHMA
804-564-7898
mid-atlanticahma.org

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

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PROTECTING THE INTERESTS OF AFFORDABLE HOUSING PROPERTY MANAGERS AND OWNERS

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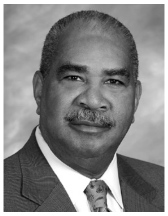

See You in D.C. In March

ONE OF THE BEST WAYS TO STAY up on the latest in the affordable housing industry is by attending NAHMA's annual winter meeting, March 9-11, in Washington, D.C. The three-day winter meeting features educational panels, networking opportunities, Industry Awards and the Communities of Quality (COQ) Awards luncheon.

While we are all looking forward to finally meeting in person, we are still dealing with an ongoing pandemic. Keeping everyone safe and healthy is of the utmost importance. Members planning to attend the meeting need to be aware that the District of Columbia has specific requirements to combat COVID that all visitors will need to abide by.

At the time of our meeting, specific D.C. public businesses—including, but not limited to, indoor food and drink establishments, as well as hotel meeting rooms, ballrooms, fitness centers and hotel restaurants and bars—will require all patrons aged 12 years old or older to show proof that they have received at least two doses of the COVID-19 vaccine before they are allowed entry. At the time of this writing, an indoor mask mandate was also in place. The mask mandate was set to expire at the end of February, but attendees are encouraged to check the Meetings webpage at nahma.org to see if it has been extended.

Attendees will find links to D.C.'s required protocols on the Meetings webpage. NAHMA will update the information as needed and keep attendees up-to-date through electronic communications.

In addition, we will be doing things a little differently when it comes to meeting check-in. To encourage appropriate social distancing, attendees will pick up their own name badges and other materials. Food service will be provided in formats other than a buffet, and seating for sessions and meals will be spaced out. Moreover, attendees will be asked to download the full meeting agenda documents instead of being given a thick paper packet.

What won't change is the quality of the information provided at the meeting. Attendance gives you a chance to hear the latest news from the Department of Housing and Urban Development, the U.S. Department of Agriculture's Rural Development and more.

Do not miss the annual COQ Award luncheon and informational session or the NAHMA Industry and AHMA Awards ceremony. Both are our way of highlighting the communities and people who work hard to prove affordable housing can be an asset to any neighborhood.

More information about the March meeting is available on the NAHMA website, www.nahma.org. While visiting the Meetings webpage, also "save the date" and plan to attend the fall forum in October.

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

Michael Simmons, NAHP-e, is senior advisor and chief business development officer for CRM Residential and serves as NAHMA president.