NATIONAL AFFORDABLE HOUSING MANAGEMENT ASSOCIATION

NAHMANews

May June 2022

PROTECTING THE INTERESTS OF AFFORDABLE HOUSING PROPERTY MANAGERS AND OWNERS

IN THIS ISSUE

COMMUNITIES OF QUALITY

President's Budget Request Increases HUD, USDA Funding

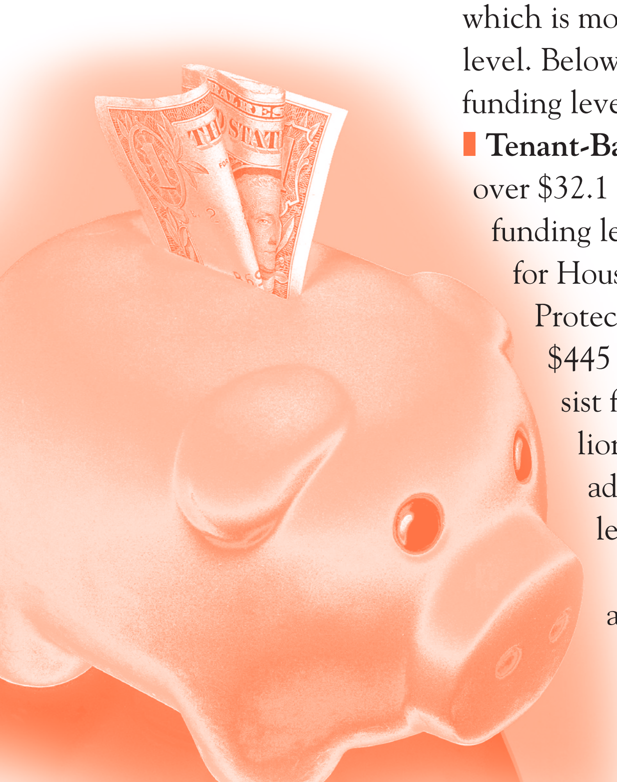
On March 28, President Joe Biden submitted his administration's fiscal year 2023 (FY 2023) budget request to Congress. The budget request totals $5.8 trillion and indicates the administration's spending and policy priorities. In a statement, President Biden said, "Budgets are statements of values, and the budget I am releasing today sends a clear message that we value fiscal responsibility, safety and security at home and around the world, and the investments needed to continue our equitable growth and build a better America."

Of this amount, a request for $71.9 billion is made for the Department of Housing and Urban Development (HUD), and a request for $28.5 billion is made for the Department of Agriculture (USDA).

HUD PROGRAMS BUDGET REQUEST

The administration's FY 2023 budget requests $71.9 billion for HUD programs, which is more than a $6 billion increase above the current FY 2022 enacted level. Below is a breakdown of key rental assistance programs with proposed funding levels:

- **Tenant-Based Rental Assistance (vouchers):** The FY 2023 budget proposes over $32.1 billion for the voucher program, a $4.7 billion increase from the funding level provided in FY 2022 enacted levels. This includes $26.2 billion for Housing Assistance Payment contract renewals, $220 million for Tenant Protection Vouchers, $667 million for Section 8 Mainstream Renewals, $445 million for Mobility Services, a new program for 2023 that will assist families to move to high-opportunity neighborhoods, and $1.6 billion for Incremental Vouchers, a new effort that could result in 200,000 additional families receiving support, including those who are homeless or fleeing from domestic violence.
- **Project-Based Rental Assistance (PBRA):** The budget proposes about $15 billion for PBRA, including $14.3 billion to renew all



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inside nahma BY KRIS COOK, CAE

Join the Elite With a COQ Designation

THE COMMUNITIES OF QUALITY (COQ) National Recognition Program is just one of the ways NAHMA and its members are changing the perception of affordable housing. By using a series of third-party inspections and reporting, communities certify that they meet stringent standards in physical maintenance, financial management, programs and services, employee credentials and other criteria—only the best of the best qualify to call themselves a COQ property. And, our smart badge program makes it easier for properties to promote the achievement.

Property managers or owners of affordable multifamily rental housing in the U.S. can apply for COQ National Recognition at any time during the year. Applicants must score a minimum of 225 points to receive COQ certification or 200 points for properties with 49 units or less. Properties that score more than 325 points are eligible to compete in the COQ Awards competition; see page 28 for more about this year's competition.

The program, originally funded through a Fannie Mae grant, sets national standards that take an objective look at what makes an excellent multifamily affordable housing community using such independent, verifiable measuring sticks as Real Estate Assessment Center scores, Department of Housing and Urban Development reports, third-party inspections, employee development and resident enrichment services.

Earning COQ recognition has many benefits, not just for the management company responsible for the property but also for the staff and residents. The program also helps dispel the myths surrounding affordable housing for elected officials and the public.

COQ recognition is a good marketing tool for management companies, allowing them to show clients how much they care about maintaining high standards and how they will maintain their clients' property. Additionally, it illustrates the hard work put in by the on-site personnel and volunteer boards while projecting professionalism.

The program also helps residents feel more secure and even proud to be living in a community that has earned the COQ designation. Some properties hold resident celebrations, put up banners and affix the COQ logo to correspondences and other communications tools to bolster that sense of pride of place year-round. The COQ certification helps attract top-notch staff. Moreover, the recognition also creates some bragging rights.

Another benefit of the recognition program, and one of the impetuses for its creation, was to establish creditability, especially when lobbying elected officials on the importance of funding affordable housing programs. By assigning verifiable quantitative value to what makes up a quality community, NAHMA can provide affordable housing data by state, property management company, and AHMA through its database of COQ properties on its website. **NN**

Kris Cook, CAE, is executive director of NAHMA.

expiring contracts. This PBRA request includes $375 million for performance-based contract administrators.

Section 202 Housing for the Elderly: The budget requests $966 million for Section 202 housing, a decrease of $67 million from the FY 2022 enacted levels. This includes $742 million for contract renewals, $100 million in new capital advance funding, and $120 million to fund service coordinators.

Section 811 Housing for Persons with Disabilities: The budget requests $288 million for Section 811 housing, a decrease of $64 million from the FY 2023 enacted levels. This also includes $82 million for capital advance and project rental assistance.

Housing Supply Fund: The budget requests a new $35 billion in mandatory funding over 10 years for a Housing Supply Fund to increase housing development. The fund would have two grant components: $25 billion in grants for affordable housing production and $10 billion in grants to reduce affordable housing barriers.

Climate Initiative/Green and Resilient Retrofit Program: Similar to last year's budget request, this budget requests $250 million for targeted investments to improve the quality of housing through climate resilience and energy efficiency. Funds will be used to create a new Green and Resilient Retrofit Program within Multifamily Housing to be used as follows: "$207.5 million for grants and loans for energy retrofits, green investments, and climate resilience improvements for approximately 5,000-10,000 units nationwide; $31.5 million for utility benchmarking data collection and systems; and $11 million for administrative contract expenses which will enable HUD to quickly scale up the program and realize improvements."

Rental Assistance Demonstration (RAD): The budget requests $110 million for RAD conversion subsidy and modifications to the RAD statute to expand and improve the efficacy of RAD conversions to both PBRA ($50 million) and Project-Based Vouchers ($60 million).

HOME Investment Partnerships Program (HOME): The FY 2023 budget requests $1.95 billion for the HOME Investment Partnerships Program, which is $450 million more than the FY 2022 enacted level. This includes a new $100 million set aside for a FirstHOME Downpayment Assistance initiative to states and insular areas to better ensure sustainable homeownership.

Community Development Block Grant (CDBG): The president's FY 2023 budget requests $3.7 billion for the Community Development Fund, which is $470 million more than the FY 2022 enacted level.

As history demonstrates, presidential budget requests serve as a symbolic document that outlines an administration's funding and policy priorities for future fiscal years. Congress controls the power to fund the government.

Housing and Urban Development
Fiscal Year 2023 President's Budget Request

Program	FY 2023 Request	FY 2022 Enacted
Tenant-Based Rental Assistance	$32,130	$27,369
Project-Based Rental Assistance	$15,000	$13,940
Section 202 Housing for the Elderly	$966	$1,033
Section 811 Housing for Disabled	$288	$352
Housing Supply Fund	$35,000	$0
RAD	$60	$0
CDBG	$3,770	$3,300
HOME	$1,950	$1,500

FIGURES EXPRESSED IN MILLIONS

USDA RURAL HOUSING SERVICE BUDGET REQUEST

The president's FY 2023 budget request includes $28.5 billion for USDA, a $3.4 billion increase from the FY 2022 enacted level. USDA's FY 2023 budget includes a provision for Section 515 properties to "decouple" rental assistance from the program, allowing tenants to receive or continue to receive rental assistance after a property has paid off its USDA mortgage. Under current law, rental assistance cannot be used in properties that do not have an active Section 515 or Section 514 loan.

USDA's budget summary shows $1.5 billion for 521 Rental Assistance, $200 million for Section 515 Rental Housing Direct Loans, $38 million for Section 542 vouchers, $75 million for the MPR program, and $400 million for the Section 538 multifamily loan guarantee program, which are substantial increases from the FY 2022 funding level to signal the administration's commitment to affordable housing in rural communities.

USDA-Rural Development
Fiscal Year 2023 President's Budget Request

Program	FY 2023 Request	FY 2022 Enacted
Section 521 Rental Assistance	$1,564	$1,450
Section 515 Rental Housing Direct Loans	$200	$50
Rental Preservation Demonstration (MPR)	$75	$34
Section 542 Rural Housing Vouchers	$38	$45
Section 538 Rental Housing Guarantee	$400	$250

FIGURES EXPRESSED IN MILLIONS

NEXT STEPS

As history demonstrates, presidential budget requests serve as a symbolic document that outlines an administration's funding and policy priorities for future fiscal years. Congress controls the power to fund the government. Over the summer, Congress will begin drafting appropriations, or spending, bills. To fund the government, both the House of Representatives and the Senate will need to pass their own budget and 12 spending bills and then align each chamber's bills before they are signed into law by the president. In the House, where Democrats have a slim majority, NAHMA expects the spending bills will be passed along party lines. However, the Senate normally requires 60 votes and is currently split 50-50. This means Democrats and Republicans will have to agree on funding levels in their spending bills. Republicans have already expressed opposition to President Biden's proposed FY 2023 spending. Given this is a midterm election year where all 435 seats in the House and 35 of the 100 seats in the Senate will be contested, there remains a high possibility that Congress will be unable to meet its Sept. 30 deadline and will need to enact a continuing resolution—which continues appropriations at the same levels as the previous fiscal year for a set amount of time—to keep the government functioning until a spending deal is reached. NAHMA will work with Congress to increase affordable housing and community development program investments and encourage members to join advocacy efforts through meetings with legislators and other advocacy opportunities. **NN**

BY LARRY KEYS JR.

Congress Shifts Focus to Fire Safety and Lead Problems in Federally Assisted Housing

THIS WEEK'S COLUMN HIGHLIGHTS some recent congressional activities focused on the health and well-being of residents that live in or participate in various federal housing programs. Specifically, Congress introduced bills to address fire safety and lead problems.

HOUSE HEARING EXAMINES FIRE SAFETY IN FEDERALLY ASSISTED HOUSING

In late April, the House Financial Services Committee held a field hearing on the need to improve fire safety in federally assisted housing. The committee heard testimony about the Jan. 9 fire in the Bronx, N.Y., that killed 17 residents and discussed efforts to improve fire safety. Two panels of guests and elected officials testified before the committee, focusing on why low-income renters depend on portable heaters and what role agencies play in ensuring the protection of public housing residents.

The Department of Housing and Urban Development (HUD)'s deputy assistant secretary for the Real Estate Assessment Center, Ashley Sheriff, testified before the committee and emphasized resident health, safety and standardized inspection requirements.

"Under the NSPIRE regulations that are proposed right now, we will be increasing the standards and including a requirement for self-closing fire doors, and that will apply to all HUD housing. That will apply to the public housing portfolio, the multifamily portfolio, and voucher units where our standards are not aligned today; NSPIRE will align our standards for all types of HUD housing," she testified. "We've had resident workshops and have worked with our Office of Fair Housing and Equal Opportunity. And they've commented on our standards, and we believe that the lived experiences of those residents are absolutely critical to developing our NSPIRE standards and making sure that those standards promote that housing is fair and equal with other residential housing that's available to market-rate renters and owners."

The committee also discussed two bills introduced by Rep. Ritchie Torres (D-NY) to improve public housing fire safety. The first bill, H.R.6529, requires public housing owners to install self-closing doors, and the second bill, the Housing Temperature Safety Act of 2022, requires the installation of temperature sensors.

BIPARTISAN BILL INTRODUCED TO REMOVE LEAD FROM ASSISTED HOUSING

In April, Rep. Dan Kildee (D-MI), chief deputy whip of the House Democratic Caucus, introduced new bipartisan legislation to protect families from lead in drinking water. The Get the Lead Out of Assisted Housing Act of 2022 (H.R.7516) would help protect families living in federally assisted housing from lead exposure by requiring HUD to inspect for lead service lines, create a grant program for local and state governments to address lead contamination, and mandate that homes found to have lead paint be checked for lead in water. The bill would help protect families from lead exposure by:

- Directing the secretary of HUD to update the Uniform Physical Condition Standards to include inspecting for lead in service lines and lead in plumbing.
- Creating a Healthy Homes Lead in Drinking Water Grant pilot program to provide grants to states and local governments responsible for developing consolidated plans for community development. These funds would be used to identify the threats posed by lead in drinking water and take steps to protect residents. Activities under this grant program include creating a lead service line inventory, testing for lead in the drinking water at child-care centers and schools, and testing for lead at public facilities like public water fountains and remediation.
- Including testing, notification and controlling for lead in drinking water when providing grants for the lead-based paint hazard reduction program. This will ensure that when a home that contains lead-based paint is being remediated, the lead in the drinking water can also be addressed if a threat exists in the same home.
- Ensuring HUD has the authority it needs to address lead contamination from water, air or industrial sources in consultation with the U.S. Environmental Protection Agency.

Rep. Kildee introduced this legislation along with Reps. Jackie Walorski (R-IN), Henry Cuellar (D-TX), Lucille Roybal-Allard (D-CA), Donald Payne Jr. (D-NJ) and Josh Gottheimer (D-NJ) and the bill has been referred to the House Financial Services Committee. Sen. Tammy Duckworth (D-IL) introduced a companion bill (S.4047) in the Senate with Sen. Todd Young (R-IN), and that bill has been referred to the Senate Committee on Banking, Housing and Urban Affairs.

NAHMA will continue to monitor this legislation as it moves through Congress and keep members updated. **NN**

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

BY THOMAS STAGG

Rural LIHTC Developments have Two Options when Calculating Income Limits

NINE PERCENT LOW-INCOME Housing Tax Credit (LIHTC) properties located in a rural area as defined by the U.S. Department of Agriculture (USDA) have two options when calculating income limits. These properties are able to use the greater of the applicable income limit for their county or the National Non-Metro Median income (NNMI) limit.

The NNMI limit is an important benchmark for LIHTC properties. The U.S. Department of Housing and Urban Development (HUD) typically publishes the NNMI limit in two places, in its Frequently Asked Questions (FAQs) and in its documentation system.

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Per HUD's Methodology for Determining Section 8 Income Limits, "HUD rounds income limits up to the nearest $50" when calculating the family size adjustment for Section 8 limits. However, HUD does not follow this convention when calculating the family size adjustment for the NNMI limit.

However, for 2022, when HUD released its income limits, it appeared to break its tradition of using a separate rounding convention for NNMI limits and released the following table in its FAQs that conformed the rounding of NNMI limits to the Section 8 rounding convention *(see chart 1)*.

However, during the following weeks, HUD updated its FAQs to revert to the separate rounding convention *(see chart 2)*.

If properties used the HUD website during this window or the Novogradac Rent & Income Limit Calculator©, they will need to re-run their limits to make sure they are in compliance with HUD's updated calculation. **NN**

CHART 1

Multifamily Tax Subsidy Projects (MTSPs)
(otherwise known as Low-Income Tax Credit projects (LIHTC) or tax-exempt bond-financed projects)

Q15. What is the national non-metro median to be used to calculate the floor on rural LIHTC rents?

Section 3004 of the Housing and Economic Recovery Act (HERA) specifies that any project for residential rental property located in a rural area (as defined in section 520 of the Housing Act of 1949) use the maximum of the area median gross income or the national non-metropolitan median income. The FY 2022 non-metropolitan median income is: $71,300 and the 1-8 person 50-percent income limits based on the non-metropolitan median income are listed below:

1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
$25,000	$28,550	$32,100	$35,650	$38,550	$41,400	$44,250	$47,100

Source: U.S. Department of Housing and Urban Development; Novogradac

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CHART 2

Multifamily Tax Subsidy Projects (MTSPs)
(otherwise known as Low-Income Tax Credit projects (LIHTC) or tax-exempt bond-financed projects)

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Statewide Income Limits For U.S. Non-Metropolitan Total

FY 2022 Very Low-Income (50%) Limit (VLIL)

Median Family Income	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
$71,300	$24,950	$28,500	$32,100	$35,650	$38,500	$41,350	$44,200	$47,050

Source: U.S. Department of Housing and Urban Development; Novogradac

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Thomas Stagg is a partner in the metro Seattle office of Novogradac. He specializes in audit and tax services for real estate transactions. He is experienced in auditing affordable housing developments and specializes in the LIHTC, and federal governmental auditing requirements, including HUD, USDA Rural Housing and the Native American Housing and Self-Determination Act of 1996.

Congress Passed FY 2022 Omnibus Bill

In early March, Congress passed an omnibus funding bill—a type of bill that packages smaller appropriations bills into one larger single bill—including a $1.5 trillion omnibus fiscal year 2022 (FY 2022) funding bill, $13.6 billion in aid to support Ukraine, and a reauthorization of the Violence Against Women Act (see article, Page 13). President Joe Biden signed the bill, which will fund the federal government through the end of September. Overall, the funding levels for both the Department of Housing and Urban Development (HUD) and the Department of Agriculture (USDA) are positive and maintain funding increases from FY 2021. The FY 2022 bill provides $53.7 billion for HUD, a $4 billion increase from the last fiscal year. For USDA Rural Development, the FY 2022 bill provides some increases to preserve rural housing and support rental assistance.

Overall, the funding levels for both the Department of Housing and Urban Development (HUD) and the Department of Agriculture (USDA) are positive and maintain funding increases from FY 2021.

FUNDING FOR HUD'S AFFORDABLE HOUSING PROGRAMS

The FY 2022 omnibus provides increased funding for nearly all of HUD's affordable housing and community development programs.

Project-Based Rental Assistance (PBRA): The omnibus bill provides $13.9 billion for PBRA, a more than $400 million increase over last year's funding level. The bill provides $355 million for performance-based contract administrators (PBCAs). The Appropriations Committee report continues to direct HUD "to ensure that any solicitation for PBCA does not impede housing finance agencies from bidding on state-based contracts." Regarding HUD's management of troubled properties, the committee report directs HUD "to submit a report to the House and Senate committees on Appropriations within 90 days of enactment of this act regarding the status, results, and enforcement actions, if any, of all physical inspections over the last five years of properties that received funding under this heading. If a property had not been inspected under the inspection timeline set by 24 C.F.R. 200.857(b), the report shall include a detailed explanation for why uniform physical condition standards were not applied."

Tenant-Based Rental Assistance—Housing Choice Vouchers: The omnibus spending bill provides $27.3 billion for tenant-based rental assistance, also known as housing choice vouchers, an increase over FY 2021 enacted levels. The increased funding provides $24 billion for voucher renewals.

Housing for the Elderly, Section 202: HUD Section 202, Housing for the Elderly, received over $1 billion in funding, an increase over FY 2021 enacted levels. The bill provides $199 million for new capital advances and PBRA contracts, up to $125 million for service coordinators, and $10 million for intergenerational dwelling units. The Appropriations Committee report also directed HUD to "make all remaining funding provided in fiscal years 2019, 2020 and 2021 available within 60 days of enactment of this act, and to award that funding within 180 days of enactment of this act." Regarding service coordinators, Congress directed HUD to "implement the following recommendations from the Government Accounting Office report titled *Elderly Housing: HUD Should Do More to Oversee Efforts to Link Residents to Services* (GA0-16-758): (1) continue to improve the accuracy of the department's data on Section 202

HUD Programs	FY 2022 Enacted (Current)	FY 2021 Enacted
Tenant-Based Rental Assistance	$27,369	$25,777
Contract Renewals	$24,095	$23,080
Project-Based Rental Assistance	$13,940	$13,465
Housing for the Elderly (Section 202)	$1,033	$855
Capital Advance	$199	$52
Service Coordinators	$125	$125
Intergenerational Dwelling Units	$10	$5
Supportive Housing for Persons with Disabilities (Section 811)	$352	$227
Captial Advance	$160	$54
Community Development Block Grant	$3,300	$3,475
HOME	$1,500	$1,350

FIGURES EXPRESSED IN MILLIONS

RHS Programs

	FY 2022 Enacted (Current)	FY 2021 Enacted
Section 521 Rental Assistance	$1,450	$1,410
Section 515 Rental Housing Direct Loans	$50	$40
Multifamily Housing Revitalization	$34	$28
Section 542 Rural Housing Vouchers	$45	$40
Section 538 Loan Guarantee	$250	$230

FIGURES EXPRESSED IN MILLIONS

properties with service coordination; (2) develop and make available written guidance on assessing compliance with supportive services requirements; and (3) develop and implement procedures for verifying and analyzing performance data. The agreement directs the department to report to the House and Senate Committees on Appropriations within 60 days of enactment of this act on an action plan to implement these outstanding GAO recommendations."

Housing for Persons with Disabilities, Section 811: Like the Section 202 program, the Section 811 programs received new capital advance funding ($160 million) under the omnibus bill. Overall, the program funding increased to $352 million in FY 2022 from $227 million last year.

The bill also extends eligibility of the Rental Assistance Demonstration to Section 202 and Section 811 properties, including language "to ensure the ongoing provision and coordination of services or to avoid a reduction in project subsidy."

HOME Investment Partnerships Program and the Community Development Block Grant: The HOME and Community Development Block Grant programs received an increase under the omnibus spending bill. Funding for HOME rose to $1.5 billion, and the funding for the Community Development Fund grew to $3.3 billion.

FUNDING FOR USDA RURAL HOUSING PROGRAMS

In the FY 2022 omnibus, some of USDA's rural housing programs increased over FY 2021 enacted levels. The funding levels are sufficient to renew existing affordable housing contracts.

Section 521 Rental Assistance: The omnibus bill provides $1.450 billion for the Section 521 Rental Assistance program, representing a slight increase from the previous year.

Section 515 Rental Housing Direct Loans: Lawmakers continue to pay more attention to the impending number of Section 515 properties that are reaching their mortgage maturity dates. The omnibus provides $50 million, a slight increase in the funding level from last year's enacted level.

Multifamily Revitalization and Rural Housing Vouchers: The omnibus bill slightly increases the Multifamily Revitalization Program. A funding level of $34 million was provided for the Preservation Demonstration. The Rural Housing Vouchers program is increased to $45 million. And lastly, the Section 538 Loan Guarantee received $250 million. **NN**

Key Changes Resulting from VAWA Reauthorization

In early March, Congress passed an omnibus funding bill (see article, Page 10) that included the bipartisan Violence Against Women Act Reauthorization Act (VAWA) of 2022. According to a White House press release on the bill, the 2022 reauthorization of VAWA provides the following key changes and expanded protections.

- Reauthorizing all current VAWA grant programs until 2027 and, in many cases, increasing authorization levels.
- Expanding special criminal jurisdiction of tribal courts to cover non-Native perpetrators of sexual assault, child abuse, stalking, sex trafficking, and assaults on tribal law enforcement officers on tribal lands; and supporting the development of a pilot project to enhance access to safety for survivors in Alaska Native villages.
- Increasing services and support for survivors from underserved and marginalized communities—including for LGBTQ+ survivors of domestic violence, dating violence, sexual assault and stalking; funding survivor-centered, community-based restorative practice services; and increasing support for culturally specific services and services in rural communities.
- Establishing a federal civil cause of action for individuals whose intimate visual images are disclosed without their consent, allowing a victim to recover damages and legal fees; creating a new National Resource Center on Cybercrimes Against Individuals; and supporting state, tribal, and local government efforts to prevent and prosecute cybercrimes, including cyberstalking and the nonconsensual distribution of intimate images.
- Improving prevention and response to sexual violence, including through increased support for the Rape Prevention and Education Program and the Sexual Assault Services Program; expansion of prevention education for students in institutions of higher education; and enactment of the Fairness for Rape Kit Backlog Survivors Act, which requires state victim compensation programs to allow sexual assault survivors to file for compensation without being unfairly penalized due to rape kit backlogs.
- Strengthening the application of evidence-based practices by law enforcement in responding to gender-based violence, including promoting the use of trauma-informed, victim-centered training and improving homicide reduction initiatives.
- Improving the health care system's response to domestic violence and sexual assault, including enhanced training for sexual assault forensic examiners.
- Updating the SMART Prevention Program and the CHOOSE Youth Program to reduce dating violence, help children who have been exposed to domestic violence, and engage men in preventing violence.
- Enacting the National Instant Criminal Background Check System Denial Notification Act to help state law enforcement investigate and prosecute cases against individuals legally prohibited from purchasing firearms who try to do so.

A section-by-section analysis of the VAWA reauthorization bill highlights key housing-related reforms under Title VI, "Safe Homes for Victims." The highlights include:

- **Section 601** updates the "covered housing program" definition for additional housing and homelessness programs.
- **Section 602** requires the Department of Housing and Urban Development (HUD) secretary to establish a Gender-Based Violence Prevention Office with a Violence Against Women Act director. It authorizes appropriations of such sums as may be necessary to carry out these duties. This section requires appropriate agencies to establish a process to review compliance with VAWA requirements. This section also prohibits retaliation against persons exercising their rights or participating in processes related to VAWA housing protections.
- **Section 603** protects the right of landlords, homeowners, tenants, residents, occupants, guests, and applicants to report crimes and emergencies and prohibits covered governmental entities receiving federal community development grants from imposing penalties based on requests for assistance or based on the criminal activity of which they are a victim or not

Section 602 requires the Department of Housing and Urban Development (HUD) secretary to establish a Gender-Based Violence Prevention Office with a Violence Against Women Act director.

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KEY CHANGES RESULTING FROM VAWA REAUTORIZATION

continued from page 13

at fault. This section requires covered governmental entities to report any laws or policies that involve prohibited penalties and certify compliance or describe compliance efforts as part of their HUD annual grant plans. The section also authorizes additional grant activities to support the development and implementation of effective, alternative crime reduction methods to supplant punitive programs and policies for victims.

- **Section 604** reauthorizes funding for fiscal years 2023 through 2027 for transitional housing grants for victims of domestic violence, dating violence, sexual assault, or stalking. It also makes such funds available to population-specific organizations and makes technical assistance funding consistent with other VAWA programs.
- **Section 605** amends the definition of homelessness under the McKinney-Vento Homeless Assistance Act to better address the needs of sexual assault survivors and permits additional VAWA-related activities under McKinney-Vento Homeless Assistance Grants. The bill reauthorizes funding for fiscal years 2023 through 2027 for collaborative grants to increase the long-term stability of victims who are homeless or at risk of becoming homeless and grants to combat violence against women in public and assisted housing. The section also authorizes such sums as may be necessary for fiscal years 2023 through 2027 for training and technical assistance to support the implementation of this chapter.
- **Section 606** requires the HUD secretary to conduct a study assessing the availability and accessibility of housing and services for individuals experiencing homelessness or housing instability who are survivors of trafficking or at risk of being trafficked. **NN**

NSPIRE Inspection Updates

According to the Department of Housing and Urban Development (HUD), as inspections of properties volunteering to participate in the Demonstration for the National Standards for the Physical Inspection of Real Estate (NSPIRE) ramp up, there have been questions about what to expect in a demonstration inspection. For participating properties, a HUD Real Estate Assessment Center (REAC) inspector will follow a similar protocol as the Uniform Physical Condition Standards (UPCS), with some exceptions.

All inspectors will observe HUD's COVID-19 inspection guidance. Inspectors will follow the guidelines for travel, wearing and cleaning personal protective equipment, and maintaining social distancing. The guidance also covers what properties can expect in the inspection and how they can prepare for inspections by cleaning and disinfecting surfaces.

REAC will advise public housing agencies and property owners/agents at least 28 days before the inspection date. The REAC inspector will also call and provide written notification 14 days before the inspection. This additional temporary 28-day notification is being implemented to ensure the safety of the inspectors, residents, and property staff, according to HUD.

Before the inspection, property management should report to the REAC inspector if there are any known cases of COVID-19 among residents. If so, REAC will follow the protocol in the COVID-19 guidance document to follow up before the inspection. On the inspection day, if any residents whose units were selected in the sample are identified as having COVID-19, the REAC Inspector shall replace those units with alternate units as required by the inspection protocol.

On the inspection day, the inspector will use the NSPIRE standards to perform a Critical to Quality (CTQ) inspection while following COVID-19 protocols. After the inspection, or at the end of each day of a multiday inspection, the inspector will provide the property with a list of health and safety deficiencies. The list will be accessible in the NSPIRE Demonstration Case Management System, to which REAC has provided volunteer properties access. The property must address the deficiencies cited and submit evidence of mitigation in the Case Management System using the timeframes prescribed under NSPIRE. Although demonstration scores are only advisory for refining NSPIRE standards and protocols, any conditions that an inspector deems to be a failure to provide acceptable basic housing could subject a property to a UPCS inspection, according to HUD.

The NSPIRE Demonstration is in phase two of two. In this phase, inspectors visit participating properties at least once to conduct CTQ inspections. These inspections help HUD ensure the consistency, accuracy, and objectivity of the new NSPIRE CTQ standards. The CTQ standards and deficiencies list are available on the NSPIRE website for stakeholder feedback. Additionally, REAC will allow property owners/agents to participate in focus groups to provide feedback on NSPIRE.

For questions, comments, or recommendations on the NSPIRE Demonstration period, including rescheduling requests, email NSPIREDemo_Inspection@hud.gov or call the NSPIRE Information Center at 800-883-1448. **NN**

To review the COVID inspection guidance, visit https://www.hud.gov/sites/dfiles/PIH/documents/COVID19InspectorProtocolNotice2021-01.pdf?utm_medium=email&utm_source=govdelivery.

For a list of the CTQ standards and deficiencies, visit the NSPIRE website, https://www.hud.gov/program_offices/public_indian_housing/reac/nspire/?utm_medium=email&utm_source=govdelivery.

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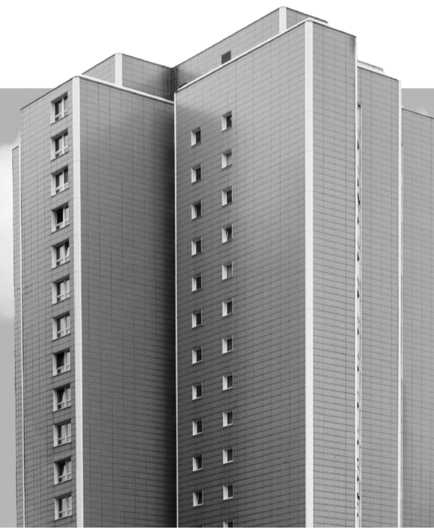

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2022 NAHMA AFFORDABLE 100

How many housing units receive at least one form of federal subsidy in the United States today? The annual NAHMA Affordable 100 list provides this important data!

THE NAHMA AFFORDABLE 100 comprises the largest affordable multifamily property management companies, ranked by subsidized unit counts. The NAHMA Affordable 100 list contributes vital data to the ongoing national dialogue on the future of federal funding for affordable housing. In an effort to accurately determine the portfolio of units receiving federal subsidy in the United States, NAHMA publishes this annual listing of affordable units containing at least one of the following federal subsidies:

- HUD Project-based Assistance
- Section 42 LIHTC
- HOME funds
- USDA Section 515
- Bonds

The National Affordable Housing Management Association (NAHMA) is the leading voice for affordable housing management, advocating on behalf of multifamily rental property managers and owners whose mission is to provide quality affordable housing.

NAHMA supports legislative and regulatory policy that promotes the development and preservation of decent and safe multifamily affordable housing. NAHMA serves as a vital resource for technical education and information, fosters strategic relations between government and industry, and recognizes those who exemplify the best in affordable housing.

RANK / MANAGEMENT COMPANY (2021 rank shown in parentheses)		HEADQUARTERS	TOTAL NUMBER OF UNITS SUBSIDIZED[1]	RESIDENTIAL[2]
1	**FPI Management, Inc. (1)***	**Folsom, CA**	**56,457**	**140,271**
2	Related Companies (4)*	New York, NY	55,000	70,000
3	**WinnCompanies (2)***	**Boston, MA**	**51,672**	**103,064**
4	**The Michaels Organization (3)***	**Camden, NJ**	**42,741**	**61,274**
5	**Dominium (6)***	**Plymouth, MN**	**36,469**	**37,731**
6	**The John Stewart Company (7)**	**San Francisco, CA**	**31,097**	**34,120**
7	**KMG Prestige, Inc. (9)**	**Mt. Pleasant, MI**	**27,939**	**31,142**
8	**Asset Living (11)**	**Houston, TX**	**27,613**	**116,631**
9	**Envolve Communities, LLC (5)***	**Memphis, TN**	**25,374**	**28,522**
10	**Mercy Housing Management Group (12)***	**Denver, CO**	**24,479**	**24,479**
11	**Capstone Real Estate Services, Inc. (13)**	**Austin, TX**	**23,962**	**34,476**
12	**Millennia Housing Management, Ltd. (8)***	**Cleveland, OH**	**23,407**	**30,654**
13	**National Church Residences (17)***	**Columbus, OH**	**22,572**	**23,063**
14	**MMS Group (16)***	**Suffern, NY**	**22,103**	**40,818**
15	**Royal American Management, Inc. (21)***	**Panama City, FL**	**20,875**	**22,592**
16	**ConAm Management Corporation (19)***	**San Diego, CA**	**20,279**	**51,213**
17	**Edgewood Management Corporation (14)***	**Gaithersburg, MD**	**17,950**	**20,860**
18	**C&C Apartment Management, LLC**	**New York, NY**	**15,660**	**20,459**
19	**Gateway Management Company (22)**	**Birmingham, AL**	**15,528**	**19,009**
20	**S.L. Nusbaum Realty Co.**	**Norfolk, VA**	**15,394**	**28,231**
21	Richman Property Services, Inc. (28)	Tampa, FL	15,000	19,000
21	Volunteers of America (10)*	Alexandria, VA	15,000	15,000
23	**Fairfield Residential (61)**	**San Diego, CA**	**14,578**	**34,514**
24	**Gene B. Glick Company (32)***	**Indianapolis, IN**	**14,249**	**20,754**
25	Pinnacle Property Management	Addison, TX	14,069	169,000
26	**Conifer Realty (29)**	**Rochester, NY**	**14,014**	**15,174**
27	Allied Orion Group (23)	Houston, TX	14,000	23,000
28	**The Franklin Johnston Group**	**Virginia Beach, VA**	**13,945**	**19,676**
29	Retirement Housing Foundation (30)	Long Beach, CA	13,880	18,188
30	The NRP Group (18)	Cleveland, OH	13,800	20,400
31	**CAHEC Management, Inc. (35)**	**Columbia, SC**	**13,646**	**13,646**
32	**Woda Cooper Companies, Inc. (37)**	**Columbus, OH**	**13,613**	**13,795**
33	The Cornerstone Group (31)	Hollywood, FL	13,607	13,786
34	**Kittle Property Group, Inc. (Previously known as Herman & Kittle Properties, Inc.) (26)**	**Indianapolis, IN**	**13,554**	**17,000**
35	**Aperto Property Management (56)***	**Irvine, CA**	**13,374**	**15,960**
36	**The Hallmark Companies, Inc. (48)**	**Atlanta, GA**	**13,247**	**14,847**
37	United Apartment Group (66)	San Antonio, TX	13,200	18,000
38	Elmington Property Management (40)	Nashville, TN	13,000	23,000
39	**Wingate Companies (47)***	**Newton, MA**	**12,943**	**17,769**
40	**Cambridge Management, Inc. (25)**	**Tacoma, WA**	**12,714**	**13,468**
41	**TM Associates Management, Inc. (39)***	**Rockville, MD**	**12,535**	**13,969**
42	**Hayes Gibson Property Services (44)**	**Bloomington, IN**	**12,500**	**15,000**
43	**Wallick Communities (42)***	**Columbus, OH**	**12,357**	**12,429**
44	**Beacon Communities (43)***	**Boston, MA**	**12,309**	**17,506**
45	**POAH Communities (36)***	**Boston, MA**	**12,308**	**12,762**
46	Independent Management Services (33)	Fenton, MI	12,000	12,200
46	McCormack Baron Management, Inc. (20)	St. Louis, MO	12,000	15,400
48	**Seldin Company (58)***	**Omaha, NE**	**11,655**	**20,815**
49	Peak Living (103)	Pleasant Grove, UT	11,600	23,000
49	Reliant Realty Services, LLC (64)*	New York, NY	11,600	14,000
51	Lincoln Property Company (49)	Dallas, TX	11,500	191,669

FOR AFFORDABLE 100 COMPANY LINKS AND THE "NEXT 20" COMPANIES ON THE LIST VISIT:

2022 NAHMA AFFORDABLE 100

RANK / MANAGEMENT COMPANY (2021 rank shown in parentheses)		HEADQUARTERS	TOTAL NUMBER OF UNITS SUBSIDIZED[1]	RESIDENTIAL[2]
51	UAH Property Management aka Mayfair Management Group (46)	Dallas, TX	11,500	12,226
53	NDC Asset Management (52)	Pittsburgh, PA	11,345	11,457
54	**Partnership Property Management (53)***	**Greensboro, NC**	**11,152**	**11,300**
55	Wilhoit Properties (41)	Springfield, MO	11,100	12,100
56	**SPM, LLC (51)***	**Birmingham, AL**	**10,904**	**19,538**
57	**Peabody Properties, Inc. (55)***	**Braintree, MA**	**10,852**	**14,636**
58	Picerne Real Estate Group (71)	Phoenix, AZ	10,600	25,000
59	**Coast Property Management***	**Everett, WA**	**10,449**	**19,962**
60	**USA Multifamily Management, Inc. (57)**	**Roseville, CA**	**10,263**	**10,690**
61	**CRM Residential (75)***	**Pleasantville, NJ**	**10,111**	**10,265**
62	Preservation Management, Inc. (60)*	South Portland, ME	10,041	10,164
63	Enterprise Residential, LLC (61)	Baltimore, MD	10,026	10,026
64	Cascade Management, Inc. (99)	Portland, OR	10,000	11,000
64	Eden Housing (79)	Hayward, CA	10,000	10,000
66	**Maloney Properties, Inc. (72)***	**Wellesley, MA**	**9,874**	**10,120**
67	**Pennrose (67)**	**Philadelphia, PA**	**9,754**	**10,769**
68	EAH Housing (50)	San Rafael, CA	9,500	13,500
68	Pedcor Management Corporation (34)	Carmel, IN	9,500	17,300
70	Continental Management (70)	Bingham Farms, MI	9,306	9,798
71	**National Community Renaissance (84)***	**Rancho Cucamonga, CA**	**9,144**	**9,766**
72	**InterMark Management Corporation (80)***	**Columbia, SC**	**9,021**	**10,399**
73	Barker Management, Inc. (62)	Anaheim, CA	9,000	10,000
74	**Community Management Corporation (77)***	**Winston Salem, NC**	**8,840**	**8,880**
75	**SHP Management Corp. (54)***	**Cumberland Foreside, ME**	**8,771**	**8,771**
76	**The Community Builders, Inc. (78)***	**Boston, MA**	**8,714**	**9,612**
77	**Vesta Corporation (73)***	**Weatogue, CT**	**8,672**	**9,336**
78	**AWI Management Corporation (83)**	**Auburn, CA**	**8,645**	**8,665**
79	**Solari Enterprises, Inc. (88)***	**Orange, CA**	**8,572**	**8,572**
80	**RLJ Management Co., Inc. (89)**	**Columbus, OH**	**8,547**	**8,547**
81	J & A, Inc. (82)	Corinth, MS	8,390	8,390
82	MACO Management Company, Inc. (63)	Malden, MO	8,300	8,300
82	Rose Community Management, LLC (59)	Independence, OH	8,300	10,200
84	**Habitat America, LLC (87)***	**Annapolis, MD**	**8,276**	**9,641**
85	TRG Management Company, LLP (85)	Weston, FL	8,259	20,000
86	Grenadier Realty Group Corporation (27)	Brooklyn, NY	8,200	9,300
87	American Apartment Management Co., Inc. (86)	Knoxville, TN	8,060	8,312
88	Cushman & Wakefield (90)	Addison, TX	7,951	171,713
89	Burlington Capital Properties, LLC (113)*	Omaha, NE	7,700	10,500
90	**PK Companies, LLC***	**Okemos, MI**	**7,670**	**9,236**
91	**Monroe Group, Ltd. (94)***	**Denver, CO**	**7,664**	**7,664**
92	Yarco Companies (76)	Kansas City, MO	7,500	11,000
93	BSR Real Estate Investment Trust (91)	Little Rock, AR	7,400	9,600
94	LHP Capital (92)*	Knoxville, TN	7,359	7,359
95	Greystar (95)	Charleston, SC	7,191	451,180
96	**Trinity Management Company (102)***	**Boston, MA**	**7,131**	**7,697**
97	Capreit Inc. (104)	Rockville, MD	7,000	17,000
97	MidPen Housing (81)	Foster City, CA	7,000	7,100
97	Silver Tree Residential, LLC (98)	Memphis, TN	7,000	7,000
100	Housing Management Resources, Inc. (100)*	Quincy, MA	6,860	7,139

Companies in bold provided data for NAHMA's survey. All others are based on industry estimates.

* A NAHMA Communities of Quality National Recognition Program Participant

[1] and [2] All unit data represent only units directly managed (not owned) that were rented or available to rent on Dec. 31, 2021. Down units, abated units, units under construction or rehabbing units not available for rent are not included.

[1] Total affordable units managed. Federal programs only, including HUD, LIHTC, USDA, HOME, and Bond programs. Data do not include state or local subsidy, public housing, tenant-based vouchers (Section 8 or RD tenant-protection vouchers), or federal mortgage insurance or loan guarantee programs. If a unit has more than one subsidy, it is counted only once.

[2] Total residential units managed (including market or affordable).

NAHMA would like to extend its sincere thanks to the NAHMA Affordable 100 Task Force, without whose hard work and support this survey would not be possible. In particular, sincere appreciation goes to task force chair Amber Day, TrashPro and vice chair Nathan Burnett, Watchtower Security Inc.; Guthrie Alberts, Paysafe; Joseph Anderson, The Buckner Company; Andrew Boyle, New Hampshire Housing Finance Authority; Mike Coco, Choice Property Resources Inc.; Leo Delgado, Converged Services Inc.; Rue Fox, ResMan; Janel Ganim, ResMan; Eddie Garrett, McGriff Insurance; Tracey Gray, Watchtower Security; Jenny Hidalgo, Omnia Partners; Babbie Jaco, CAHEC Management; Jennifer Kelly, MRI Software; Mark Livanec, Yardi Systems; Carlita Mendez, CMS; Scott Nelson, RealPage Inc.; Andrew Pieplow, Watchtower Security; Scott Ployer, National Property Management Strategies Group LLC; Greg Proctor, Lumina Partners LLC; Jeffrey Promnitz, Zeffert & Associates Inc.; Scott Scharlach, Columbus Metropolitan Housing Authority; Christopher Voss, Yardi Systems; and John Yang, RentalHousingDeals.com Inc.

If you believe your company should be included in next year's survey, please contact Jennifer Jones, jjones@nahma.org.

Treasury Provides ERA Demographics and Reallocation

The Department of the Treasury provided updates on the Emergency Rental Assistance (ERA) program's demographics and the ERA 2 reallocation method.

ERA PROGRAM DEMOGRAPHICS

In February, the Treasury Department released demographic data showing that the ERA program assisted millions of households and reached underserved and vulnerable communities. According to Treasury data, over 80% of ERA assistance was delivered to very low-income households, or those earning 50% of area median income and below, in 2021, equaling $15.87 billion out of $25 billion for ERA1 and $3.96 billion out of $21.55 billion for ERA2.

Treasury also reported that high percentages of assistance are reaching Black, Latino, and female-headed households. In the fourth quarter of 2021, more than 40% of all primary applicants receiving assistance self-identified as Black and more than 20% self-identified as Latino, and female-headed households made up close to two-thirds of ERA beneficiaries—in line with the rates at which Black, Latino, and female-headed households had faced eviction filings earlier in the pandemic. Treasury has also reallocated the initial tranche of ERA funding (ERA1) to grantees that are serving a higher share of extremely low-income households and more diverse communities than average.

In 2021, ERA grantees made 3.8 million payments to eligible households and spent or obligated more than $25 billion across ERA1 and ERA2. As grantees continue to provide robust support to low-income renters across the country with these emergency recovery funds—reducing the remaining funds available relative to ongoing need—Treasury is encouraging states and municipalities to make long-term investments to build on the infrastructure created through the implementation of the ERA program.

Specifically, Treasury has granted significant flexibility for these expenses by implementing the state and local fiscal recovery funds, which provided $350 billion that can be used to pursue a range of rental assistance and eviction prevention strategies. These long-term investments and policies, including those spurred by the implementation of the ERA, are viewed as vital components toward building comprehensive strategies that address the needs of the lowest-income renters and communities of color.

ERA2 REALLOCATION PROCESS

The Treasury Department published a document explaining its approach to reallocating funds for the second Emergency Rental Assistance Program (ERA2) under the Reallocation Guidance issued in March 2022. The guidance's central goal is to help more people stay in their homes and avoid eviction by speeding up the delivery of assistance to tenants and landlords in need.

Treasury will carry out the statutory requirement to reallocate funds to accomplish this goal in three ways: 1) make more resources available to high-performing grantees based on need, 2) incentivize increased spending on ERA2 eligible uses through the adoption of best practices among grantees to help them streamline and improve their processes and the dedication of other funds to meet the significant need relative to funding available for rental and utility assistance, and 3) work to ensure funds do not go unused by programs unwilling or unable to assist struggling renters and landlords.

The guidance covers the major aspects of how these funds will be reallocated, including the following:

- Grantees who have insufficient expenditure ratios—a measure of funds actually spent assisting eligible households—will face reallocation. Based on the program data they submit to Treasury, grantees with expenditure ratios below 20% as of March 31 will be determined to have "excess funds" equal to the difference between its reported expenditures and the amount of expenditure needed to reach the 20% threshold.
- A grantee with both inadequate obligations and insufficient expenditures will have two ways to mitigate the amount that the Treasury would otherwise reallocate due to this first assessment.

  1. Grantees can avoid reallocation if, based on data submitted to the Treasury reflecting expenditures as of April 30, it has achieved an expenditure ratio is at least 20%. Otherwise, excess funds will be calculated based on the difference between its reported expenditures as of March 31 and the amount of expenditure needed to reach the 20% threshold.

  2. Grantees will avoid reallocation if they have made voluntary reallocations of ERA1 funds in at least 25% of their ERA1 allocation.
- After the first assessment, the Treasury will assess each grantee's expenditure ratio quarterly. The expenditure ratio threshold used to calculate excess funds will rise by 20 percentage points each quarter—for example, the threshold as of June 30 will be 40%. As of Dec. 31, 2022, any unpaid funds may be designated as excess funds and be reallocated, helping to ensure that funding does not go unused and is appropriately used in the emergency context. Under the ERA2 statute, funds paid to a grantee—based on the grantee having achieved 75% obligation of funds disbursed to date—may not be reallocated.
- Treasury expects to distribute reallocated funds after each quarterly assessment, as warranted based on availability and confirmed need. Treasury will begin collecting requests from grantees for additional

funds. These requests will be submitted on a standard form provided by Treasury that allows grantees to confirm and describe the needs in their communities. To be eligible for reallocated funds, a grantee must have spent or obligated at least 50% of its own initial allocation. As excess funds become available, Treasury will prioritize, when feasible, requests from grantees in the same state where the funds were initially allocated. The remainder will be available for reallocation nationwide, with priority to grantees already on track to promptly expend ERA funds. Treasury also intends to prioritize grantees that have dedicated a significant amount of non-ERA funds to rental or utility assistance substantially similar to assistance under ERA, including using state and local fiscal relief dollars for these purposes.

- A grantee may also reallocate funds voluntarily. A grantee may request the transfer of up to 60% of its initial ERA2 allocation to other grantees. The transferee grantees must (i) administer an ERA2 program in the same state or territory as the transferor and (ii) have obligated or spent at least 50% of their initial ERA2 allocations by the time of transfer. A grantee may request Treasury's assistance in identifying permissible transferees. A grantee may request the transfer of up to 60% of its initial ERA2 allocation without designating any specific grantee as transferee.

Treasury, at its discretion, will determine and carry out the reallocation of these funds to grantees.

As with Treasury's ERA1 reallocation guidance, published on Oct. 4, 2021, this guidance is intended to reflect Treasury's commitment to ensure that funds are being used promptly to address the significant nationwide need for rental assistance, recognizing the full scope of need in many cases surpasses the amount allocated for assistance under Treasury's Emergency Rental Assistance Programs. **NN**

TRACS Plans to Implement Unique Entity Identifiers

The Department of Housing and Urban Development (HUD) issued guidance in April providing a new Unique Entity Identifier (UEI) Tenant Rental Assistance Certification System (TRACS) standard that will be replacing the Dun & Bradstreet data universal numbering system (DUNS) unique number assigned to all entities including public and private companies, individuals, institutions, or organizations who register to do business with the federal government.

UNIQUE ENTITY IDENTIFIER FOR LOCCS USERS

As of April 4, HUD transitioned from using DUNS to the new UEI for identification for federal awards for Line of Credit Control System (LOCCS) users. The transition requires entities to register in SAM.gov to qualify for federal awards that are reported to the public through USASpending.gov.

User who have not already registered or whose registration has expired must register immediately. The General Services Administration (GSA) has provided tools that will assist in registering an entity and obtaining a DUNS/UEI. Visit the GSA SAM website that contains a number of resources related to the UEI implementation.

New UEIs will be automatically assigned to entities registered in SAM at a future date. UEI should be used in place of DUNS numbers in LOCCS after April 1.

THE NEW UEI STANDARD

The standard for the new unique entity ID has been published in the *Federal Register*. The new UEI is stored as a 12-character, alpha-numeric value within databases and passed as such within interfaces and extracts. This 12-character value will adhere to the following rules:

- The letters "O" and "I" will not be used to avoid confusion with zero and one.
- The first character will not be zero to avoid cutting off digits that can occur during data imports, for example, when importing data into spreadsheet programs.
- Nine-digit sequences will not be used in the identifier to avoid collision with the nine-digit DUNS number or Taxpayer Identification Number (TIN).
- The first five characters will be structured to avoid collision with the Commercial and Government Entity code formatting or CAGE code.
- The UEI will not be case sensitive.
- The final character will be a checksum of the first 11 characters. Checksums are used to detect errors within data.
- The UEI will not contain the entity's Electronic Funds Transfer (EFT) Indicator. The EFT Indicator will remain a separate field in SAM.gov.

INFORMATION FOR TRACS USERS

Per the MAT User Guide, under 6.1 VCHHR Voucher Header Record, item 33 requests the owner to submit DUNS Number and item 34 requests the owner to submit Parent Company DUNS Number to TRACS. For those who do not have a DUNS Number, leave the field blank. A TRACS error message for missing DUNS number is for informational purposes and does not suspend or stop electronic request for subsidy payment.

The TRACS Release 203A will include an upgrade to collect four UEI data entities to the end of the Voucher and Tenant MAT header records: [i] Awardee UEI; [ii] Immediate Parent UEI; [iii] Domestic Parent UEI; and [iv] Global Parent UEI. **NN**

Visit fsd.gov and select the green "Help on UEI Transition" button to learn more.

Read the Unique Entity Identifier (UEI) Update at https://www.nahma.org/wp-content/uploads/2022/04/TRACS-UEI-Update-Notification.pdf.

NAVIGATING THE TURNOVER TSUNAMI

Hiring, Training, and Maintaining Real Estate Professionals in 2022

Turnover and retention have become key buzzwords for companies in 2022. No matter the industry or geography served, firms are asking themselves and their advisors the same set of questions: how do we attract, retain, and develop difference-making individuals in today's extremely volatile and talent-starved marketplace?

In January of this year, the Bureau of Labor Statistics reported that over 4.5 million people left their positions in the previous November alone—an all-time high according to the bureau. That's 3.4% of the non-farm workforce walking away in one month—a record number of "quits." The following month, December 2021, another 4.3 million Americans left their jobs. More telling and of direct relevance to our sector, the number climbs to 6.9% among those working in the accommodation and food services sectors, which includes hospitality and real estate-focused companies. This quit rate, however, does not equate one-to-one with workers dropping out of the workforce completely. Statistics also show record hiring in these sectors, suggesting that workers appear increasingly confident to quit their jobs in search of better ones.

The question that needs to be asked is: Does our company represent one of these "better" jobs?' You may also ask if there are reasons your firm may be struggling to retain staff, particularly on-site professionals, or struggling to attract new candidates for a growing list of open positions. If that is the case, you may also need to explore, sooner rather than later, how turnover and unfilled openings are affecting your current teams and what the impact is on employee morale and productivity given these challenges.

While there is no instant solution, there are four key strategies real estate firms are using to address the great resignation and not only holding their teams together but building a stronger, more cohesive, and inclusive culture.

NUMBER 1: REASSESSING COMPENSATION PHILOSOPHY

Companies are struggling with recruiting and retention challenges. While an increasing number of firms provide short- and long-term incentive awards to their professional and support teams, program design changes may need to be considered to boost their impact as a retention tool.

While it is not suggested that firms pay beyond their ability, companies who do not offer short- or long-term incentives on top of base salary are at an increasing disadvantage.

Today, just under 80% of firms currently provide short-term incentive opportunities to their professional teams. Of these firms, roughly 70% include all levels of their organizations, including support and on-site staff. In short, annual cash incentives are now part of the expectations of real estate professionals, nationally and increasingly at all levels within an organization.

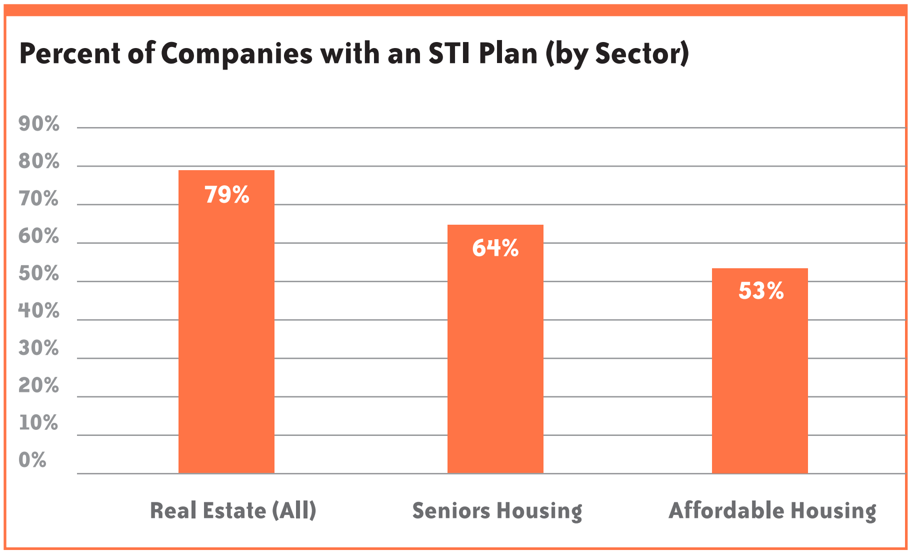
Some firms continue to buck this bonus trend without problematic results. Typically, these firms represent some combination of elite culture, mission, and/or core values that lead to strong employee engagement. These companies offer other material inducements to create a retention vehicle with real value, and/or pay materially over market in base salary.

But for firms who cannot afford a traditional short-term incentive program or whose current program is not serving as an effective retention tool what can be done? Firms who do not wish to incorporate annual bonus awards may want to consider making one-time awards that vest over time. Safeguards can be put in place to guard against such a plan becoming a financial burden. Payout can be staggered over a three-year period and provisions can be installed in the plan that allow the timing of the payouts to be deferred should the payout cause material harm to the company. While spot or retention awards can be effective in the short-term, awards with a multiyear tail may provide companies with the "golden handcuff" necessary to stem the tide of additional resignations in a manner that is easier to digest for the company's finances.

> Often, the primary motive behind employee stay-go decisions is money. Firms who ignore this and lag behind or simply refuse to provide market-competitive base salaries and the opportunity for annual incentive compensation will find themselves increasingly struggling to attract and retain a quality professional and support team.

With respect to base salaries, the current market necessitates a more

BY JON BOBA AND DAVIS STEINBRECHER



nuanced approach to annual increases than the flat 3% annually that the industry has become accustomed to. Over a third of respondents to the most recent Pearl Meyer Real Estate Compensation Survey have indicated that for some positions, they have had to make base salaries adjustments of between 6 and 9%. This trend is most pronounced among junior- to mid-level staff and in select functions including property management, finance and accounting, and underwriting, among others. Currently these areas are presenting the greatest flight risk and have thus seen the most dramatic adjustments. A continued tightening of the labor market for relevant talent will increase pressure on firms to make significant base salary adjustments if they expect to stay at or near the market median.

Where companies fall short compared to the market varies among employee levels but is often tied to overall firm compensation philosophy. This is usually influenced by both the executive team and board of directors, dependent on company structure. Typically, it is recommended that firms target the median, in aggregate, for total compensation; however, in the current labor market, some additional caveats are being placed on compensation strategies. Notably, firms who aimed to target median total compensation through below average base salaries in exchange for outsized incentives are finding themselves at a disadvantage to firms who take a more balanced approach with higher guaranteed compensation regardless of total pay. This strategy has led to major retention issues for many of its observers.

Often, the primary motive behind employee stay-go decisions is money. Firms who ignore this and lag behind or simply refuse to provide market-competitive base salaries and the opportunity for annual incentive compensation will find themselves increasingly struggling to attract and retain a quality professional and support team.

Finally, this is not a "one and done" exercise. Ensuring that the links between business strategy, talent management, and compensation strategy are aligned should be reevaluated as firms adapt to the changing needs and circumstances of their business and the market.

NUMBER 2: RECALIBRATING FOR REMOTE WORK

In our post-COVID environment remote work is here to stay. Companies concerned with retention need to accept this and adapt their human capital strategies to accommodate this new, permanent reality.

Pearl Meyer data show that over one-third of the total U.S.-based workforce

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Employee Category	Total salary increase for organizations expecting pay increases to be higher than originally projected (173)		
	Publicly Traded	Private (For Profit)	Private (NFP)
Non-Exempt (%)	4.8%	5.6%	4.3%
Exempt (%)	4.9%	5.6%	3.7%
Management (%)	4.7%	5.1%	4.1%
Executive (%)	4.8%	5.2%	3.8%
All Groups Combined (%)	4.9%	5.8%	4.3%

will work remote post-pandemic, yet many firms are struggling to accommodate this new expectation. As employees continue to grapple with personal health issues, elderly parents, and child-care concerns, working from home and maintaining flexible schedules has offered some much-needed relief. At the same time, companies are also finding that production does not generally decline, and in many cases is higher than in an all-office environment. Often, the enticement of rival firms that offer superior compensation and/or greater flexibility with work-from-home policies can be too hard to resist. Firms need to continue to define and refine the scope and parameters of their remote/flexible work policies. Forward-thinking firms are developing strategies and emphasizing engagement at all levels to combat compromises to culture and training efforts that arise without a full, vibrant, and centrally located workforce.

Within this balance, it becomes more critical than ever to ensure that employees have a unified vision, corporate mindset, and are clear on the objectives that will continue to unite them despite a change in geography. However, with retention continuing to be among companies' top priorities, it is important that changes to a flexible work policy not be perceived as a takeaway. Successful firms are balancing this myriad of concerns to ensure new policies support a unified culture as opposed to presenting a roadblock to growth.

Implemented correctly, empathetic leadership can have far reaching impact from a financial and mission standpoint and provide far greater odds for a healthier company that can outpace the industry with respect to recruiting, retaining, and developing difference-making professionals.

NUMBER 3: FOSTERING CAREER TRANSPARENCY

Emboldened by an employee friendly labor market, professionals are becoming increasingly demanding with respect to what they wish to get out of their relationship with their firm. For many in the critical junior to middle level, retention will remain a critical issue unless firms can demonstrate a personal level of connection and commitment to their talent base through career development opportunities. In short, difference-making professionals are looking for careers, not jobs, and there is a greater need for companies to proactively manage the direction of their more junior-level professionals.

Firms that have proven to be more resilient against turnover display a regular, transparent cadence with their professional team, demonstrating through mentoring, investment in continuing education opportunities, and/or industry conference participation that they have the long-term growth of their professionals in mind. Forward-thinking firms are also increasingly putting mid- to long-term succession planning initiatives in place, retaining employees through a clear path to future career growth and responsibility.

There are several tools available to assist firms in this area. For one, an increasing number of companies are tying performance reviews and expectations to a set of core competencies. These skills and experiences serve as guidelines that the company designates as key measures of career growth and are viewed as critical to the ongoing success of the business. These core competencies conform to, reflect, and reenforce key company values. When utilized, core competencies can help inform annual performance evaluations, but beyond this, they give the employer and employees a clear and transparent internal progression ladder which more objectively assesses individual performance and can influence incentive plan design decisions.

The use of core competencies is becoming a more critical and powerful recruiting, retention, and development tool for an increasing number of real estate firms and will continue to give its users an edge with respect to human capital recruitment, retention, and development.

NUMBER 4: DEMONSTRATING EMPATHETIC AND CONNECTED LEADERSHIP

Prioritizing the physical and mental health of the workforce is an increasingly critical part of building and managing a successful company. Through all stages of an economic cycle, often it is not the highest paying firm that has the best retention rates, but the best managed firm.

The COVID-19 pandemic and the great resignation have reenforced the idea that firms guided by empathetic leadership and those that are concerned about culture and employee engagement are the most resilient to the pressures of a tight labor market. These firms can become sought after by quality employees who want their efforts noticed, appreciated, and valued—at all levels of an organization. Firms following the practice of empathetic, servant-oriented leadership at all levels can change the course of an organization from crisis to renewal, lower turnover, and increase recruiting effectiveness.

A key indicator of an empathetic and connected organization is leaders who are fully present and approachable to those who share their issues and concerns.

Anecdotally, we work with a client that was previously headquartered in a tight space, requiring executive management and lower-level professionals to work in extremely close quarters. The energy in the office was consistently electric in the best way as junior professionals received a "working MBA" by proximity to the executive team. Eventually, the firm outgrew the space and moved to an oversized facility where they elected to put the executive team together in a remote area of the building. When visiting the new facility, the lack of energy and diminished performance levels from many of the staff was apparent. They derisively referred to the new executive wing as the "Emerald City," citing *The Wizard of Oz*. Despite continued strong fiscal performance, the firm began to lose their mid-level talent as one by one, slowly but consistently, they left for firms that promised better connections and interaction with leadership. Both physically and mentally, being fully present is critically important.

In contrast, another client makes it a point for the CEO and his top two executives to divide their multistate portfolio of properties between them and to travel to each facility at least three times a year so that each of the senior-most leaders visits each building at least once. The executives stuff gift cards into their pockets and approach on-site staff with words of encouragement and a small gift. The CEO is known to occasionally quiz employees on the company mission statement and core values, with right answers resulting in an extra $100 cash along with the gift card. Whether they deliver prize-winning answers or not, every employee the CEO meets gets a handwritten note that is personal, encouraging, and singles them out for being important and valued. A commitment to staying connected to every level of an organization takes material time, effort, and expense. But more notably, this empathetic leadership that is willing to be present, listen, and engage with employees at all levels of the organization pays off.

IN SUMMARY

Organizations have the opportunity in these challenging times to turn very real and acute workplace challenges into company and industry transformation. Implemented correctly, empathetic leadership can have far reaching impact from a financial and mission standpoint and provide far greater odds for a healthier company that can outpace the industry with respect to recruiting, retaining, and developing difference-making professionals.

By crafting a market competitive compensation structure, allowing for workplace flexibility, prioritizing the ongoing development of your current talent base, and staying connected throughout all levels of an organization, you will be as well-equipped as possible to not only survive but thrive and outperform. **NN**

Jon Boba is a managing director in the Chicago office of Pearl Meyer. Over his 28-plus years in real estate consulting, Boba has successfully completed more than 800 engagements representing a wide range of firms in the real estate and financial service industries. He also has developed an industry specialization in health care/seniors housing as well as affordable housing, where he is a recognized leader, respected conference speaker, and author of several published articles. Boba is responsible for managing client relationships, business development and executive/board-level consulting work including management consulting; succession planning; right-sizing; talent assessment and professional development programs; and helping firms attract, retain, and develop future leaders. He is a licensed attorney in the state of Illinois and a member of American Seniors Housing Association (ASHA) and the National Affordable Housing Management Association (NAHMA).

Davis Steinbrecher is a consultant with Pearl Meyer based out of the Chicago office. He is responsible for conducting competitive benchmarking analyses, developing company, group, and individual compensation recommendations, determining salary ranges, and analyzing and modelling current and future compensation and financial scenarios, among other services. He maintains a specialization in the commercial real estate industry. Steinbrecher currently heads the administration of the firm's industry-leading Real Estate Compensation Survey as well its Seniors Housing, Healthcare, and Affordable Housing Real Estate surveys, in collaboration with the American Seniors Housing Association (ASHA), the Building Owners and Managers Association (BOMA), and the National Affordable Housing Management Association (NAHMA), respectively.

Pearl Meyer is the leading advisor to boards and senior management on the alignment of compensation with organizational and leadership strategies, making pay programs a powerful catalyst for value creation and competitive advantage. Our survey team provides organizations with accurate, on-point information supporting effective business decisions. Pearl Meyer's global clients stand at the forefront of their industries and range from emerging high-growth, not-for-profit, and private companies to the Fortune 500 and FTSE 350. The firm has offices in Atlanta, Baltimore, Boston, Charlotte, Chicago, Houston, Los Angeles, New York, Raleigh, San Jose, and London.

JCHS Releases Rental Housing Report

A RECENT NAHMAANALYSIS that examines *America's Rental Housing 2022*, a report published by the Joint Center for Housing Studies of Harvard University that assesses the nation's rental markets, demographic trends, and housing challenges faced by renters. According to the report, in 2021, rents dropped in the early months of the pandemic in nearly every market, particularly in large urban markets. Many renters impacted by the pandemic had to give up their apartments to live with parents, friends, or relatives. As the economic recovery progressed, the demand for rental housing increased during the second year of the pandemic, reducing vacancy rates and increasing rents. This was partly due to the lack of inventory of homes up for sale on the market, which kept many higher-income renters from buying a home. At the same time, many lower-income households, and especially lower-income households of color, still struggled to make their rental payments, despite increased federal and state assistance. As rents have increased, so have cost burdens—threatening the ability of millions of families to stay in their homes. Ultimately, it will be up to Congress to address longstanding inequities in providing housing to ensure that every household has access to a decent and affordable home.

RENTER HOUSEHOLD GROWTH INCREASED DURING THE PANDEMIC

Renter household growth increased by over 870,000 between the first quarter of 2020 and the third quarter of 2021. Between the third quarter of 2020 and the third quarter of 2021, the number of occupied apartments increased by 611,000, the largest increase since the early 1990s. This led occupied apartment rental growth to grow faster than new rental completions by almost 250,000 units during the same period. Overall, rentership rates have seemed to stabilize at 34.6% at the end of 2021, following a peak of 37.1% in 2016. Rentership rates remain high for all age groups, and several factors contribute to the increase in the demand for rental housing.

Affordability remains a central issue, and increasing home prices combined with supply-side disruptions and low inventories make purchasing a home more expensive. This increases rentership rates for higher income and elderly households alike while also decreasing the ability of younger and lower-income individuals to form renter households.

Rentership is more common now among age groups and family types that would traditionally be more likely to own their housing, impacting rental affordability. Renters are also increasingly likely to be people of color or foreign-born, older, and from nontraditional households.

Affordability remains the highest barrier to homeownership, increasing the demand for rental housing. Currently, 44% of workers aged 18-64 are in low-wage jobs, while nearly all of the net growth in homeownership during 2010-2018 was among households with incomes of $150,000 or more. The median income for homeowners was $81,000 in 2019, while the median income of renter households in the rental market was $42,000, despite the recent addition of higher-income households. More than a third, or 36%, of all renters made less than $30,000 and had roughly $320 in savings in 2019. These low-income households were also much more likely to be headed by someone who is 65 years old or older (26%), a single parent (56%), or a person of color.

The pandemic's overall impact on renter household mobility has been negative, with 16.8% of renter households changing residences in 2021 compared to 18% in 2020 and 19.8% in 2019.

RENTAL CONSTRUCTION DOMINATED BY LARGE MULTIFAMILY BUILDINGS

Over the last decade, the composition of rental stock shifted toward large multifamily apartment buildings. The high growth in demand from high-income renters has contributed to the growing share of rental construction in apartment structures with 50 or more units. This has increased from 11% in the 1990s, to 27% in the 2000s, to 61% in 2018. The total rental supply increased by 650,000 units between 2014-2019 to 47.4 million, with the growth primarily driven by the net addition of 1.7 million units in buildings with at least 20 apartments, to a total of 11 million. According to the Census Bureau's New Residential Construction data, 89% of all rental unit completions between 2014-2019 were for multifamily buildings.

On the other hand, single-family rentals decreased by 770,000 during the same period, with a current total of 15.3 million units. Multifamily apartments with two to four units also saw a decrease of 270,000, to 8.2 million. Since units in small and midsized buildings typically have lower rents and are therefore more affordable to modest-income households, their shrinking share of the rental stock is a indicator that the middle of the market continued to erode over the last decade.

The current distribution of rental stock varies geographically, with the Northeast enjoying the largest share of multifamily rentals in buildings with 20 or more units (32%), followed by the West (25%), the Midwest (21%) and the South (19%).

The robustness of multifamily con-

To read the NAHMAnalysis in its entirety, visit the Members Only section of nahma.org.

struction is expected to continue, with multifamily starts hitting a 30-year high through November 2021 of 466,000 units. In comparison, the average unit annual pace between 2014-2019 was 350,000. Low mortgage interest rates, ready access to capital, and strong property performance have helped bolster investor demand for rental properties, and multifamily mortgage debt outstanding climbed to $1.77 trillion in the third quarter of 2021.

Several challenges still need to be addressed to increase the supply of affordable housing for low-income renters. This includes continuing to invest in capital improvements, such as basic maintenance or modifications, additional accessibility for renters who are elderly or disabled, addressing the increase in construction, labor and material costs, removing or preventing strict zoning regulations that forbid the construction of affordable multifamily housing developments, and dealing with the impact of climate change. In particular, natural hazards and disasters pose a threat, with 40% of all occupied rental stock located in areas that experience annual losses from natural hazards. This percentage represents 17.6 million occupied units under yearly threat, including 1.2 million rentals supported by the Low-Income Housing Credit (LIHTC), 700,000 project-based Department of Housing and Urban Development units, and 200,000 Department of Agriculture subsidized rental units.

While LIHTC remains the largest source of new subsidized housing, low-income renters living in LIHTC units usually require additional assistance to make a living there affordable. Many LIHTC units are approaching the end of their 30-year affordability periods. Meanwhile, many owners continue to choose to void the affordability agreement after 15 years through qualified contracts. This results in the loss of 10,000 LIHTC units annually. Additionally, almost 3,000 Section 8 units left the affordable housing stock in 2020 alone, and affordability restrictions on more than 100,000 additional units are set to expire before 2025.

CHALLENGES TO RENTAL HOUSING AFFORDABILITY AND STABILITY KEEP GROWING

The economic fallout from the COVID-19 pandemic impacted primarily low-income renters in service sector positions, who were already struggling to pay for their housing. In the third quarter of 2021, 23% of renter households with incomes under $25,000 were behind on their rent compared to 15% of renter households earning between $25,000 and $49,999. In comparison, 8% of renter house households with incomes between $50,000 and $74,999 reported being behind, and only 4% of renter households with incomes between $75,000 and over did so.

Nearly all states saw an increase in the number of renters who could not meet their total monthly housing obligations during 2021, but eight out of 10 states with the highest percentage of renter households in arrears were in the South. With a large share of lower-income households who experienced pandemic-related job losses, 22% of renters in Mississippi and Louisiana were in arrears during the third quarter of 2021. In comparison, the third-largest share of renter households in arrears was in New York with 21%, mainly due to high housing costs and a large number of lower-income households. Job loss and cost burdens remain the primary factors hindering the ability of low- and moderate-income renter households to make their full monthly rental payments on time.

Almost 25% of Black renters and 19% of Hispanic renters reported being behind on their rental payments during the third quarter of 2021. This is compared to 18% of Asian and 9% of white renter households. Households of color, who've long endured inequities in housing, labor, and education, continue to experience a disproportionate increase in cost burdens resulting, in part, from the pandemic. Black renter households accounted for the most significant share of households with cost burdens with 54%, followed closely by 52% for Hispanic households. This is compared to 42% for both Asian and white renter households. The disparity between renter households of color and white renter households is attributed mainly to income, with the median income of white renter households being 42% higher than Black and 7% higher than Hispanic renter households in 2019.

According to American Community Survey data, the number of units affordable to renters with incomes up to $30,000 fell by 1 million from 2018 to 2019. Limited availability of affordable rental housing, combined with strong demand and rising rents, has led to high shares of cost-burdened renters. Many of these renters, especially those with lower income, had to use their savings, increase their credit card debt, or borrow from friends and family to afford their rental payments. Still, many lower-income renters have been unable to meet even the most basic needs such as health care or food. In the fall of 2021, 40% of households that were behind on their rental payments reported that they sometimes or often did not have enough food. Larger shares of renter households in the youngest and oldest age groups are also heavily cost burdened, with more than half of all renters under the age of 25 and over age 65 having spent more than 30% of their incomes on rent in 2019.

The states with the highest housing costs typically also have the largest share of cost-burdened renters, with California, Florida, and Hawaii ranking in the top three. **NN**

Finding Happiness Through Healthy Choices

Judging for the 2022 AHMA art and poster contest has wrapped, and the winners are being notified they will appear in the 2023 NAHMA Drug-Free Kids calendar. The underlying message for the annual contest is always a drug-free theme. Still, the association wanted to open the door for more avenues of expression, so a subtheme was incorporated into the poster contest. The subtheme for this year is Healthy is Happy: Nutrition and Fitness Propel Us Forward.

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

"This is one of the most popular contests NAHMA holds each year," Kris Cook, CAE, NAHMA executive director, said. "Everyone looks forward to seeing the fantastic artwork produced by the talented residents. The auction is always a fun time and supports a great program."

Typically, the contest attracts entries from across the country. The artwork is first sent to your local AHMA, where it is divided into categories. For each grade category for children, and the elderly and special needs entries, the local AHMAs selected up to three winning posters, which can consist of photographs, websites, computer art, or other media. The AHMAs set their own deadlines for their regional contests.

The grade categories for children are based on the grade the contestants have completed by June 2022: kindergarten-first grade, second-third grade, fourth-sixth grade, seventh-ninth grade, and 10th-12th grade.

All AHMA winning submissions were then forwarded to NAHMA by the June 1 deadline, where a distinguished panel of judges selected the 13 winning entries for inclusion in the 2023 calendar. One special entry is chosen as the grand prizewinner, which will appear on the cover. Only children are eligible for the top prize.

In addition to appearing on the cover of the 2023 calendar, the national contest's grand prizewinner receives a $2,500 educational scholarship and a trip to Washington, D.C., where the artist will be honored at NAHMA's Biannual Top Issues in Affordable Housing Fall Conference in October 2022.

Regardless of the entry category, each national winner of the NAHMA contest receives a $1,000 educational scholarship from the NAHMA Educational Foundation. All winners are also featured in the 2023 calendar.

Furthermore, participants in the annual art contests held by the local AHMAs are eligible to be selected as Regional AHMA Art Contest Honorable Mentions. Those chosen for this distinction are featured in a special section of the NAHMA 2023 Drug-Free Kids Calendar and receive a $100 scholarship check.

All art submitted to NAHMA becomes the association's property, and NAHMA has the right to use the art for publicity, publications, and advertisements.

The winners of each local contest also receive various prizes from their AHMA. **NN**

For complete rules or to see a list of past winners, visit http://www.nahma.org/awards-contests/calendar-contest/.

The NAHMA 2023 Drug-Free Kids Calendar will go on sale in September. The calendar cost is $5.50, which is a Department of Housing and Urban Development and a U.S. Department of Agriculture allowable project expense.

2022 Scholarship Recipients to Be Announced Soon

THE DEADLINE for submission of completed scholarship applications occurred in May and recently the NAHMA Educational Foundation Scholarship Committee met to select the 2022 class of NAHMA scholars. This will be the 16th consecutive year that scholarships have been awarded to more than 625 different student residents living at AHMA-affiliated apartment communities throughout the United States and its territories. Those scholarships have totaled in excess of $2,260,000 as part of the NAHMA Educational Foundation's continuing commitment to making financially significant awards to the outstanding student residents that are chosen.

"The foundation has committed to make each 2022 scholarship worth $3,500 again this year as part of our continuing goal to award financially impactful scholarships! Over the past 15 years more than 225 recipients have graduated from their respective programs. In each of the last three years, we have been able to make scholarships available to over 85% of those individuals submitting completed applications. The NAHMA Educational Foundation is very proud of those milestones. And, we are extremely grateful for the steadfast and unwavering generosity of our donors and sponsors whose contributions allow us to continue the foundation's proud tradition of giving," said Alicia Stoermer-Clark, chairperson of the NAHMA Educational Foundation during a recent foundation meeting.

This year, applications were received from 23 different states and the District of Columbia. Thirteen different AHMAs are represented in that total. In 2021, the foundation awarded 87 scholarships each worth $3,500 and totaling $304,500. NAHMA scholars attend a wide variety of community colleges, universities and trade/technical schools. They are an extremely diverse group with varied backgrounds across a wide age range from high school seniors to senior citizens.

The 2022 class of NAHMA scholars will be announced soon. The complete list of this year's recipients will be published in an upcoming edition of *NAHMA News.* Please watch this space for the entire list of selected students from various apartment communities, management companies and AHMAs from coast to coast!

Time to Start Working on Your COQ Awards Application

Before summer vacations and back-to-school events dominate the schedule, plan to enter the NAHMA 2022 Communities of Quality (COQ) Awards competition. The awards competition submission deadline to NAHMA is Nov. 3.

An overview of the COQ program and the awards' detailed application information and submission materials are available at the NAHMA website at http://www.nahma.org/awards-contests/communities-of-quality/.

A property must first apply for and achieve national recognition as a NAHMA Community of Quality with a minimum score of 325 points on its National Recognition application to enter the awards competition. The deadline for submitting a COQ National Recognition application to a local AHMA for consideration in the national program is Sept. 1.

If your property initially received less than 325 points when your COQ National Recognition application was first submitted, you may elect to update the original application to earn more points if you have made improvements to your property since then. Detailed instructions for updating your initial COQ National Recognition application are included in the COQ Awards application brochure.

An overview of the COQ program and the awards' detailed application information and submission materials are available at the NAHMA website at http://www.nahma.org/awards-contests/communities-of-quality/.

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

The awards competition has five categories: Exemplary Family Development; Exemplary Development for the Elderly; Exemplary Development for Residents with Special Needs; Exemplary Development for Single Room Occupancy Housing; Outstanding Turnaround of a Troubled Property

Award winners will be notified in early January 2023. They will receive their awards in a special ceremony at the NAHMA Biannual Top Issues in Affordable Housing Winter Conference, March 8-10, 2023, in Washington, D.C.

This year's COQ Awards program is jointly sponsored by Navigate Affordable Housing Partners, a nonprofit engaged in developing, owning and managing affordable housing and consulting with various housing agencies and the HUD Section 8 project-based contract administrator (PBCA) for multiple states, and Yardi, which develops and supports industry-leading compliance, accounting and property management software for every type and size of affordable housing provider.

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

For more information about the COQ program and awards, contact Paulette Washington at 703-683-8630, ext. 110 or pwashington@nahma.org.

NAHMA looks forward to judging numerous applications in every category from every AHMA. The time to start preparing applications is now. **NN**

About the COQ Awards Sponsors

ABOUT NAVIGATE AFFORDABLE HOUSING PARTNERS: Based in Birmingham, Ala., Navigate Affordable Housing Partners is a nonprofit engaged in developing, owning and managing affordable housing and consulting with various housing agencies to provide compliance and training. Navigate is also a federal contractor providing compliance and financial services on behalf of HUD as the Section 8 PBCA for multiple states. Navigate's core values—Service, Respect, Transparency, Quality, and Innovation—are applied to every aspect of their work and has resulted in an exemplary reputation in the housing industry. For further information, visit www.navigatehousing.com.

ABOUT YARDI: Yardi develops and supports industry-leading compliance, accounting and property management software for every type and size of affordable housing provider. Yardi solutions streamline compliance with HOME, USDA Rural Housing, HUD 50059 and Low-Income Housing Tax Credit programs. Clients choose Yardi for quality products, expert support and stability. They stay with us for evolving solutions that outpace the ever-changing technology landscape. For more information on how Yardi is Energized for Tomorrow, visit yardi.com or call 800-866-1144.

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

A NEW FEDERAL SUBSIDY PROGRAM can help residents pay for internet service. The Affordable Connectivity Program (ACP), offered through many internet service providers, gives households $30 a month to cover the cost of internet service and a one-time subsidy of $100 for computer devices for eligible households. ACP is a $14.2 billion program made possible by the Infrastructure Investment and Jobs Act. Public housing and Section 8 residents are eligible for ACP funding based on their receiving housing assistance, and the ACP subsidy is not considered income. To date, public housing residents are under-enrolled in the ACP program. The Department of Housing and Urban Development (HUD) encourages property agents/owners to make residents aware of the subsidy as it would increase their internet connectivity without added expense. HUD developed a Mini-Guide to the ACP to help staff conduct outreach and enrollment events.

HUD'S OFFICE OF FAIR HOUSING AND EQUAL OPPORTUNITY released new guidance to reinforce requirements that HUD-subsidized multifamily housing's marketing and application processes be designed to be inclusive of persons of all races and national origins. Two new guidance pieces, Guidance on Compliance with Title VI of the Civil Rights Act in Marketing and Application Processing at Subsidized Multifamily Properties and Implementation Sheet for HUD's Title VI Guidance, clarify how certain marketing, rental application processing, and waitlist management practices can perpetuate segregation or otherwise discriminate in violation of Title VI of the Civil Rights Act. The guidance is designed to assist property owners in understanding and implementing more inclusive practices less likely to produce discriminatory results.

FHFA NEWS

FEDERAL HOUSING FINANCE AGENCY (FHFA) HAS ISSUED Non-Objections to the 2022-2024 Underserved Markets Plans submitted by Fannie Mae and Freddie Mac (the Enterprises) under the Duty to Serve (DTS) program. The plans are now available on the DTS website, www.fhfa.gov/dts. The Enterprises first submitted DTS plans for 2022-2024 in May 2021. The current plans meet the Non-Objection standard for the three underserved markets: manufactured housing, affordable housing preservation, and rural housing. The implementation date for the plans is Jan. 1, 2022. FHFA set an implementation date that is retroactive to the Non-Objection determination to ensure DTS activities continue without interruption. The activities outlined by the Enterprises to achieve DTS objectives will remain subject to FHFA review and approval to ensure compliance with the Enterprises' Charter Acts, safety and soundness measures, and other conservatorship and regulatory requirements. **NN**

COMMUNITY REINVESTMENT ACT PROPOSAL

THE OFFICE OF THE COMPTROLLER OF THE CURRENCY (OCC), Board of Governors of the Federal Reserve System (Fed) and Federal Deposit Insurance Corporation (FDIC) jointly issued a proposal to strengthen and modernize regulations implementing the Community Reinvestment Act (CRA) to achieve the purposes of the law better. CRA is a landmark law enacted 45 years ago to encourage banks to help meet the credit needs of their local communities, including low- and moderate-income (LMI) neighborhoods, safely and soundly.

Under the previous administration, the OCC made its proposal on how to rewrite the CRA. The proposal was not accepted by the Fed or FDIC and was rescinded in the early days of the Biden administration.

Building on the most recent feedback from stakeholders and research, the agencies included the following key provisions in their proposal:

- Expand access to credit, investment, and basic banking services in low- and moderate-income communities. Under the proposal, the agencies would evaluate bank performance across the varied activities they conduct and communities in which they operate so that CRA is a strong and effective tool to address inequities in access to credit. The proposal would promote community engagement and financial inclusion. It would also emphasize smaller value loans and investments that can have a high impact and be more responsive to the needs of LMI communities.
- Adapt to changes in the banking industry, including internet and mobile banking. The proposal would update CRA assessment areas to include activities associated with online and mobile banking, branchless banking, and hybrid models.
- Provide greater clarity, consistency, and transparency. The proposal would adopt a metrics-based approach to CRA evaluations of retail lending and community development financing, including public benchmarks for greater clarity and consistency. It also would clarify eligible CRA activities, such as affordable housing, focused on LMI, undeserved, and rural communities.
- Tailor CRA evaluations and data collection to bank size and type. The proposal recognizes differences in bank size and business models. It provides that smaller banks would continue to be evaluated under the existing CRA regulatory framework with the option to be evaluated under aspects of the new proposed framework.
- Maintain a unified approach. The proposal reflects a unified approach from the bank regulatory agencies and incorporates extensive feedback from stakeholders.

Comments on the proposal will be accepted on or before Aug. 5, 2022.

WITH KERRY DERVIL

BY JENNIFER JONES

Best Job In the World

WHEN KERRY DERVIL AND HER best friend were young, they were like any other youngsters trying to figure out what they wanted to do with their lives. She was a young mother with two children and was on welfare. So, Dervil tried being a licensed hairdresser for a couple of years before deciding it wasn't what she wanted as a career. She then got a job as a parent involvement worker for a nonprofit organization that provided Head Start services for children of low-income households. She also returned to college, taking night classes to earn a degree in criminal justice, looking for a career that would allow her to help people trying to navigate reentry back into society after prison.

In the meantime, her best friend was a resident services coordinator for a local low-income development. She was putting together summer barbecues and other activities for the residents who lived at the property and was recruiting her friends to help with the events. Dervil volunteered. She also brought along her two young children—a daughter, now 32 and an assistant property manager herself, and a stepson, now 23, a videographer for the city of Boston television service.

"I thought what a fantastic thing to do for these residents and what a fun job to have. Soon after that, a position became available at her company, and that's when it all began for me," Dervil said. "My kids thought I had the best job in the world! I got to plan fun activities, parties, and field trips that my children were able to attend a lot of the time."

That was in 1997, and Dervil said she has held just about every on-site office position possible since then. Currently, she is a senior property manager for Peabody Properties, headquartered in Braintree, Mass.

"Being the NEAHMA president through Covid has been a challenge, but with the help of great board members and our executive director, we somehow kept the organization above water."

"I took advantage of every opportunity and training available," she said. As a result, in addition to holding CPO, FHC, NAHP-e, and SHCM certifications from NAHMA, she also has a Certified Property Manager and Associate in Risk Management from the Institute of Real Estate Management and a C10P Tax Credit Certification from Spectrum Enterprises. Dervil is also in her final year as president of NEAHMA.

"Being the NEAHMA president through Covid has been a challenge, but with the help of great board members and our executive director, we somehow kept the organization above water," Dervil said. "A rebranding took place during my first year of presidency. It's important for NEAHMA to work on building the interest of newer folks in the industry and let them know all that NEAHMA has to offer. We want to play a key role in the growth and

advancement of industry professionals' careers in affordable housing."

Even though, Dervil describes herself as a social butterfly, one of her toughest hurdles as NEAHMA president was overcoming her fear of public speaking.

"So, when I became president, COVID hit, and I didn't have to speak live. I did, however, have to do the recordings of myself. I'm such a perfectionist; I would do 100 takes," Dervil said. "This year, we're doing an in-person conference, and I'll be speaking in front of everybody. And I'm actually really excited about it." **NN**

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

Welcome New Members

NAHMA welcomes the following new members as of April 19, 2022.

EXECUTIVES

Kimberly Hurd, KCG Residential LLC, Indianapolis, Ind.

Mollie Kickbush, Conifer Realty LLC, Rochester, N.Y.

AFFILIATES

Lauren Monaco, DeSilva Housing Group, Leander, Texas

Gwen Regan, Fortress Technology Solutions, Nashville, Tenn.

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.*

JULY

7
Budgeting and Bottom-Line Thinking
Webinar
NEAHMA
781-380-4344
www.neahma.org

12
Determining "Adjusted" Income/Dealing with Expenses & Deductions
Webinar
Mid-Atlantic AHMA
804-564-7898
mid-atlanticahma.org

Understanding HUD Compliance
Webinar
SAHMA
800-745-4088
www.sahma.org

12–13
Tax Credit/SHCM Exam
Virtual
NEAHMA
781-380-4344
www.neahma.org

14
General Management Policies
Webinar
Mid-Atlantic AHMA
804-564-7898
mid-atlanticahma.org

19
Working with Unearned Income
Webinar
NEAHMA
781-380-4344
www.neahma.org

New HUD Managers-The Good, The Bad, The Necessary
Webinar
SAHMA
800-745-4088
www.sahma.org

19–21
Conquering HUD Multifamily Housing Compliance
Salem, OR
Oregon AHMA
503-357-7140
www.oregonaffordable housingmanagement.com

20
Best Practices for Communicating with Residents
Webinar
Mid-Atlantic AHMA
804-564-7898
mid-atlanticahma.org

Proper Financial Management of RD Properties
Webinar
Oregon AHMA
503-357-7140
www.oregonaffordable housingmanagement.com

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

21
Calculating Assets and Expenses
Webinar
SAHMA
800-745-4088
www.sahma.org

26
Fair Housing (DPOR)
Webinar
Mid-Atlantic AHMA
804-564-7898
mid-atlanticahma.org

Service Programs on a Shoestring
Webinar
NEAHMA
781-380-4344
www.neahma.org

27
SHCM Exam Prep: Program Requirements
Webinar
SAHMA
800-745-4088
www.sahma.org

28
Liability Policies
Webinar
Mid-Atlantic AHMA
804-564-7898
mid-atlanticahma.org

Working with Assets
Webinar
NEAHMA
781-380-4344
www.neahma.org

AUGUST

9
EIV Basics
Webinar
Oregon AHMA
503-357-7140
www.oregonaffordable housingmanagement.com

Do the Right Thing Property Management Ethics
Webinar
NEAHMA
781-380-4344
www.neahma.org

9–11
3-Day CPO
Virtual
NEAHMA
781-380-4344
www.neahma.org

10
Tax Credit CEU
Trevose, PA
PennDel AHMA
856-786-2183
www.penndelahma.org

Proper Financial Management of RD Properties
Webinar
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11
EIV Advanced
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www.oregonaffordable housingmanagement.com

Medical Expenses-HUD
Webinar
NEAHMA
781-380-4344
www.neahma.org

16–18
Conquering LIHTC Compliance
Salem, OR
Oregon AHMA
503-357-7140
www.oregonaffordable housingmanagement.com

22–25
Certified Professional of Occupancy
Virtual
MAHMA
614-481-6949
mahma.com

25
Capital Planning and Asset Preservation
Webinar
NEAHMA
781-380-4344
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SEPTEMBER

7
EIV 101
Webinar
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NAHMANews

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Alexandria, VA 22314
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PROTECTING THE INTERESTS OF AFFORDABLE HOUSING PROPERTY MANAGERS AND OWNERS

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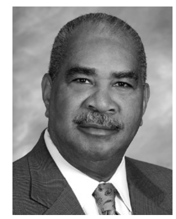

NAHMA's Commitment To You

AS NAHMA PRESIDENT AND longtime member, I have engaged with various AHMAs, members, and colleagues over the years. I have noticed that we all have one thing in common: a fierce commitment to the industry and to doing the very best we can for our employees and our residents. That commitment has become more evident as we work through a new normal created by a global pandemic.

While the challenges of the past couple of years have shown that the one constant thing is change, the same is true for the affordable housing industry—regulations change, the economy changes, and local and national government leaders change, all leading us to work hard to keep up.

And, keep up, we will. That is NAHMA's commitment to you. We want you to know you can count on us to bring you the latest and most meaningful news about what is happening on Capitol Hill and in the halls of HUD, Treasury, the IRS, and other agencies as it pertains to the pandemic, the fiscal year 2023, and several housing regulations, to name a few. You can also count on us to continue providing opportunities for your professional development and education to be ever more productive and confident about what you do.

We need you not just to keep doing what you are doing wherever you are but to stay engaged with NAHMA so that we know what keeps you awake at night. We also need you to help us continue to grow. The more members we have, the more strength we have in making our positions matter to those in power.

As you can read in this and every issue of *NAHMA News*, we face constant challenges to the way things are going, even when they are going well. The fiscal year 2023 debates are already underway, and they have significant ramifications for all of our funding programs. Be sure to let your colleagues in the industry who are not NAHMA members know why it is essential that they join now.

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**

We need you not just to keep doing what you are doing wherever you are but to stay engaged with NAHMA so that we know what keeps you awake at night. We also need you to help us continue to grow.

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