



position and responsibilities with G. C. Enterprises.

Whereas, **Lawrence J. "Joe" Lagerbauer** who had served the U. S. Department of Housing and Urban Development in the position of Director of Housing Management in Los Angeles from 1988 to 1993 with experience and background as follows:

- Born in Minneapolis, Minnesota.
- Graduated from the University of Minnesota with a B.A. in Math/Sociology.
- U.S. Naval Officer from 1963 to 1967 with service in Vietnam.
- Stockbroker in New York from 1967 to 1972.
- Became a CPA in 1974.
- Officer of Landmark Communities, Inc. as a real estate developer from 1974 to 1983.
- CFO with Mayer Group involved with real estate developing from 1983 to 1986.
- Director of Housing Management with U. S. Department of HUD from 1988 to 1993.
- CFO with G. C. Enterprises involved with real estate developing from 1993 to the present.

Now, therefore, all of the valued employees who carry out the important multifamily mission of the U. S. Department of Housing and Urban Development in Los Angeles and San Diego, do hereby proclaim February 18, 2004, as the **Lawrence J. "Joe" Lagerbauer** day at the Los Angeles Multifamily Hub with all rights and honors conveyed.

*Joe L. Hirsch*

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Joe L. Hirsch  
Director

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### **Information about the Real Estate Assessment Center (REAC)**

By *Ken Hannon*, Director, Business Relationships and Special Initiatives Division, HQ



Ken Hannon, Director,  
Business Relationships and  
Special Initiatives Division,  
HQ

The Real Estate Assessment Center was established in 1998. It is a support organization that provides particular services to program offices within HUD. In the case of Housing, REAC conducts all physical inspections of multifamily projects using a uniform objective approach. REAC also provides financial analysis services to Housing. Between the physical inspections and the financial analysis, Housing is better able to service its portfolio of approximately 30,000 properties to ensure the provision of healthy rental housing.

Over 100,000 inspections have been conducted since the inception of REAC (all insured properties are inspected by the mortgagee, but the inspection is processed, analyzed, quality checked, and released to the owner by REAC).

Results of the first year of inspections revealed an average score of 66 on a scale of 100. The average score subsequently increased to 77. Our analysis of the results of the most recent inspections has revealed an average score of 85.

In June 2002, the Housing Commissioner, John Weicher, instituted the Under 60 Protocol, which concentrates Housing's focus on those properties that continue to receive scores indicating the property is in unacceptable physical condition. In many of those types of cases, when Housing reviews the inspection history, we find that there is a pattern of poor management over a number of years. The information gathered by REAC, allows Housing and the Departmental Enforcement Center to pinpoint those properties that require the most attention. At the end of Fiscal Year 2003, there were 200 properties that were in a seriously troubled category, which, according to the present protocol, requires the Field Office to concentrate their efforts and to develop a permanent solution to the problem. Those properties are tracked and receive Headquarters attention and oversight.

A Headquarters Loan Committee has been established to review each Field Office recommendation on properties that have a second score or less than 60 and for which a Notice of Violation has been issued by the Departmental Enforcement Center. With the establishment of the Under 60 Protocol, building on the work of Housing, REAC, and the Departmental Enforcement Center, the Department is now better equipped to effectively manage its portfolio of HUD insured and subsidized properties. The Multifamily Housing Industry has been involved in working with Housing in the establishment of REAC and its protocols from its inception with the results of them being a helpful partner in improving the nation's rental housing stock.

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### **Los Angeles Multifamily Hub Accomplishment Regarding The Pacific Electric Building in Los Angeles**

By *James Sam*, Program Manager



Historic building

On January 16, 2004, the Los Angeles Multifamily Hub had an initial endorsement of a 314-unit, Section 221 (d)(4) project. HUD is proud to contribute toward the preservation of perhaps the most distinguished building in the historic core of downtown Los Angeles. The Pacific Electric Building will undergo extensive rehabilitation and be converted into loft-style apartments. The loan amount endorsed was over \$45,000,000, the largest loan ever endorsed by our office. It also utilized Historic Tax Credits.

Under our accelerated processing program (MAP), the total processing time for this transaction was 76 days. Funding of the loan was by Prudential Financial. The HUD processing team consisted of Rebecca Miranda (Project Manager), Edgar Chun (Appraiser), Sam Ikeda (Architect), and Lorna Pope (Mortgage Credit). I can be reached at (800) 568-2651, Extension 3802 for obtaining additional details

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### **Hurray for Hollywood!**

By *John Radcliff*, Project Manager

When people think of Hollywood, the first images that come to mind are movies, TV shows, glamour, fame, fortune, and excitement. But for two other of my Los Angeles Multifamily Hub co-workers and me,

we call it home. Hollywood is a place as well as a name for the entertainment industry. Comprising about a six square mile area, it is just a section of Los Angeles, not a separate incorporated city. But within this area are many world famous attractions, movie theatres, restaurants, nightclubs, live theatrical shows, and lots and lots of apartment buildings. In fact, there are about 88,000 apartment units in Hollywood. Naturally, HUD could not be left out of such a concentration of housing. The Los Angeles Multifamily Hub oversees 42 projects in this general area.



"HOLLYWOOD" sign



John Radcliff, Project Manager

Every year about 11 million tourists visit Hollywood to see the sites, like the Hollywood Sign, the Walk of Fame, the Chinese Theatre, etc. Sadly, not many tourists stop to look at any one of our various projects. So it gives me great pleasure, as a longtime resident, to take you on a tour, albeit a virtual tour, of a few of our projects that are located right in the very center of the heart of Hollywood.

Our tour begins toward the eastern end of Hollywood. Just off Hollywood Boulevard, but still visible from the street is the Salvation Army's **Hollywood Silvercrest Residence**. A Section 202 project, this attractive building was built in 1997. It has 96 one-bedroom units, and scored an impressive 98 on its most recent physical inspection. According to the Site Manager, Barbara Ammann, the tenants range in age from 62 to 94. About 46% are Russian, 39% Armenian, 2% Hispanic, and the rest Caucasian. She says, "We love our residents." Because of its location, there is a lot for the seniors to do. But what makes this project and its location special is that when family and friends come to visit, they can also tour Hollywood! Regrettably, according to Ms. Ammann, there is about a 1 ½ to 3-year waiting list for an available unit.



Hollywood Silvercrest Residence



Hollywood Plaza

The second stop on our tour is the **Hollywood Plaza** located about a hundred yards south of the famous Hollywood and Vine intersection. Since it is on Vine Street, the Hollywood Plaza has the unique distinction of being the only Los Angeles Multifamily Hub project on the Walk of Fame. Originally built in 1924 as a hotel, it was a place where movie stars stayed. However, it was especially popular with many radio stars, because most of the broadcast studios were on or around Vine Street. Today, like the Hollywood Silvercrest, this is a senior project. Its oldest tenant is 107! It has 100 single and 52 one-bedroom units. This is a Goldrich & Kest (G&K) property. G&K is the Los Angeles Multifamily Hub's biggest project management company, managing approximately 70 projects. In case you're wondering whose star is right smack in front of the entrance to the Hollywood Plaza - it's Frank Sinatra's.

Just one block west of Vine and about a

hundred feet north of Hollywood Boulevard, is the **Hollywood Knickerbocker**. Like the Hollywood Plaza, it was originally built as a hotel. It opened in 1925 and attracted Hollywood's biggest stars, and some not quite so big. Elvis Presley stayed here early in his career. Over the years, the Knickerbocker was the scene of a number of Hollywood scandals, tragedies, and bizarre events. For example, in 1936 the widow of magician Harry Houdini held a séance on the roof. Today, like the Hollywood Plaza, this is a G&K property and is home to low-income seniors. It has 164 single and 116 one-bedroom units. One especially nice feature of the Knickerbocker is a public beauty salon and restaurant on the street level of the building.



Hollywood Knickerbocker

Continuing to travel west, we come to the last stop on our virtual tour. **Las Palmas** is located on Las Palmas Avenue, about a block and a half north of Hollywood Boulevard and a block east of the new Hollywood & Highland shopping and entertainment complex. The Las Palmas opened in 1986 and is owned and operated by the Housing Authority of the City of Los Angeles. It has 74 one-bedroom units. A senior project like the others, the tenants here range in age from 62 to 100. According to the Site Manager, Jackie Lewis, the seniors who live here have lots to do. Not only are there many places to go nearby, but, there are monthly activities such as bingo games, birthday parties, and field trips. One trip was to the Strawberry Festival in Oxnard. Yum, yum! This project scored a 92 on its last physical inspection.



Las Palmas

This concludes our virtual tour. I hope that you enjoyed it, and the next time you're in Hollywood, just remember what some people say here, "*there's no place like home.*"

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## Meet The Staff

By *Dana Hendrix*, Supervisor

Los Angeles Multifamily Hub personnel are some of the most interesting and talented people you would ever want to meet and work around. I always suspected that, but it was pleasantly confirmed recently when I sat down and talked with several people from our different Hub Development teams.



Rebecca Miranda, Project Manager

**Rebecca Miranda** has been with Multifamily since 1988 when she started as Hub Director Joe Hirsch's secretary. During the HUD 2020 reorganization, her manifold capabilities and special customer service skills were recognized when she was named a Community Builder Associate. And that naturally because of her abilities led to her becoming a Multifamily Development Project Manager. Rebecca is the mother of four children and the very proud grandmother of two. Prior to working with HUD, she lived in Europe where she worked as a hair stylist. She says that making a difference through her work in the Hub that affects in a very positive way the

lives of many people gives her an awesome feeling.



Lloyd Brown, Project Manager

**Lloyd Brown** has come to the Los Angeles Hub by a path that began with his birth in Mississippi, being raised and educated in St. Louis (University of Missouri), playing professional football in Canada, and military service in Vietnam. He started his career with HUD in Seattle in 1984, where he began a pilot program for Title I activities and the HUD Regional Service Center, and became a Project Manager in the Los Angeles Multifamily Hub in 1998. Lloyd's long career at HUD has included both supervisory and non-supervisory positions. He has always been active in community affairs both in Seattle and now in the Antelope Valley area of Los Angeles County. He is married to Audrey and the father of two

sons and the grandfather of seven.

**Maryann Carrasco** started with HUD as a clerical employee in the Los Angeles Office's Single-family Division and came to the Multifamily Hub in 1998 as a Program Assistant. She then was promoted to the position of Project Manager in Asset Management beginning in 2000, and subsequently moved to Development in 2002. Prior to the accumulation of her HUD experience, Maryann was a Customer Service Representative for a private banking firm. She is the very active mother of three children who volunteers as a baseball coach and manager as well as serves on the Board of Directors for the City of Baldwin Park's baseball league. She especially enjoys the rewards of helping the people HUD serves.



Maryann Carrasco, Project Manager

**Otha Liggins** began with the Los Angeles HUD Office in 1994 after a background in private industry as a developer of commercial and residential real estate, and mortgage broker. He grew up in Killeen, Texas, and came to California in 1974. Otha served six years with the United States Air Force and he is the father of one daughter, three sons, and six grandchildren. He enjoys bodybuilding and running.



Otha Liggins, Project Manager



Shanon Timmons, Project Manager

**Shanon Timmons** started with Los Angeles HUD in Single-family Production in 1990, and then Multifamily Asset Management in 1992, when she left to work in LA's Public Housing Division. After a further stint in Single-family Production and REO, she came back to Multifamily and promoted to a Project Manager in Asset Management; and subsequently reassigned to Multifamily Development. Shanon was born in Arizona and raised in Inglewood, she is the mother of two children. While Shanon's outside activities include window shopping, dining out, and working at her church, she is a very accomplished singer who performed with Stevie Wonder when she was only 13; she also worked with noted producer David Foster. Shanon has also sung

at various Los Angeles HUD events. She also enjoys working with underprivileged youth and young adults.

**Thelma Herndon** began with HUD in Denver, Colorado



Thelma Herndon, Project Manager

in June, 1984, as an Accounting Technician, she worked her way through positions in Single-family Property Disposition, and in Multifamily where she was selected for the upward mobility Housing Technician Program. She worked in Multifamily Asset Management and volunteered to work in Development where she gathered her mortgage credit expertise. In fact, Thelma has conducted training in mortgage credit in other HUD offices and in our Hub as well. She also served on the Multifamily Accelerated Processing (MAP) Training Team, transferring to the Los Angeles Multifamily Hub in October 2001. Here she piloted a training program for other staff selected for mortgage credit duties. Thelma was born in Ft. Huachuca, Arizona and grew up in Denver. She has two younger brothers, two sisters-in-law, three nieces and one nephew. Thelma enjoys reading, listening to music and watching "All My Children" on television.

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### Service Coordinator Grants

By *Donald Freeman*, Housing Contract Services Specialist

In the December 2003 announcement of awards throughout the country for the highly coveted Service Coordinator Grants, fifteen of the twenty awards for California were for projects within the jurisdiction of the Los Angeles Multifamily Hub. The projects receiving awards total 1,105 units that provide rental assistance for seniors and disabled persons. The fifteen grants combined are for \$2,566,204, or more than 10% of the total of \$25,000,000 that was available in the **Service Coordinators in Multifamily Housing NOFA**



Donald Freeman

(Notice of Funds Availability) that was issued on April 25, 2003, with an application deadline of July 10, 2003. The NOFA is part of the Super NOFA for all of HUD's grant programs.

The Service Coordinator Program funds the employment of highly trained and qualified staff who work with elderly residents, especially those who are frail or at risk, and non-elderly residents with disabilities, to link them with specific supportive services that they will need to continue living independently in the project. Coordinators are not permitted to act as recreational or activities directors, provide supportive services directly, or assist with other administrative work that is normally associated with project operations.

The grants are for an initial three-year term to fund the salary, overhead and other administrative costs of employing a Service Coordinator. While the Department plans to extend funding of these grants, our ability to do so is always dependent upon annual Congressional appropriations.

The projects receiving grants are as follows:

- Bellflower Friendship Manor, Bellflower (142 units)
- Casa Santa Maria, Buena Park (98 units)
- Kiku Gardens, Chula Vista (100 units)
- Escondido Gardens, Escondido (92 units)
- TELACU Senior, Hawthorne (75 units)

- Huntington Concord Park, Huntington Park (162 units)
- Long Beach Brethren Manor, Long Beach (296 units)
- Fairfax Senior Apartments, Los Angeles (296 units)
- Kilgore Manor & Griffith Gardens, Los Angeles (129 units)
- Briarwood, Montclair (82 units)
- Community Garden Towers, Orange (333 units)
- Mount Rubidoux Manor, Riverside (186 units)
- Pilgrim Terrace Homes, Santa Barbara (84 units)
- Union Plaza, Santa Maria (120 units)
- Sycamore Terrace, Upland (99 units)

I'm proud to foster and promote interest in making applications by our owner/agent clients as well as serving as the administrative point of contact in the Los Angeles Multifamily Hub for this extremely worthwhile and popular program. I'm reachable at (800) 568-2651, Extension 3634.

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### Multifamily Accelerated Processing (MAP) Marketing

by *Robert King*, MAP Coordinator

The MAP Portfolio:

The Los Angeles Multifamily HUB continues to receive a mix of MAP applications during Fiscal Year 2004. At this point in the fiscal year (as of 2/13/04), we have received the following applications:

- 7 apartment refinancings
- 2 new construction proposals
- 3 skilled nursing facility refinancings
- 2 assisted living refinancings

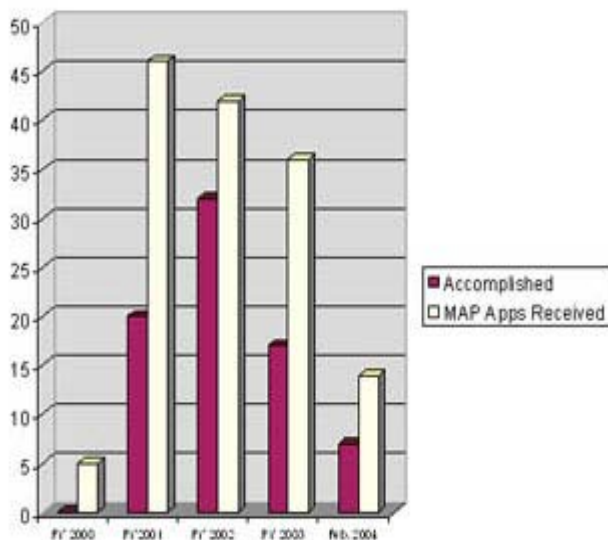
This continues the trend of receiving diverse types of applications over the past several years.



Robert King

### MAP Time Frames:

**Los Angeles HUB-MAP Accomplishment/Activity  
October 2000 - February 2004**



Under the MAP program we have experienced radically accelerated time frames.

In the past, the multifamily FHA review/processing time frames were typically in excess of six months. However, that time frame scenario is now a thing of the past. In Fiscal Year 2003, our office averaged 39-days for a typical application review. That is to say, if an application did not have significant deficiencies (and was not treated under an appeal), we were able to issue a firm invitation or firm commitment well within the 45-day or 60-day time frames established under



\* 143 MAP applications rec'd -  
76 MAP endorsements (To-date)

the MAP program.

During the previous calendar year, we issued three firm invitations in less than 25 days. Likewise, we issued three firm commitments last calendar year in less than 36 days.

If I can answer any additional questions, please contact me at (800) 568-2651, Extension 3846.

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### **Who Is The Los Angeles Rhiip (Rental Housing Integrity Improvement Project) Help Desk Representative And Her Backup?**

By *Hermie Samoy*, Supervisor

Prior to November 24, 2003, owners and agents contacted HUD Headquarters directly for answers to many of their questions relating to admissions, occupancy policies as well as rent and income determinations. In order to accomplish in a timely manner responses to those types of questions, HUD Headquarters adopted a national policy to require local offices to establish their own points of contact. Effective November 24, 2003, Los Angeles Multifamily HUB Director, Joe L. Hirsch, named Ms. Mila Mendoza, Senior Project Manager, as our office's RHIIP Help Desk Representative. To the owners/agents who do not know Ms. Mendoza, below is her photograph. She can be reached at (800) 568-2651, Extension 3870.



Hermie Samoy



Mila Mendoza

Most HUD clientele within the Los Angeles jurisdiction have known Ms. Mendoza because of her positive interaction with them over a long period of time in providing guidance on TRACS, occupancy issues, renewal of the Section 8 Housing and Assistance Payment Contract, PRACS renewal and shortfalls, vouchers not getting paid and special claims.

Additionally, Mr. Hirsch has named Ms. Wanda Fleming, Senior Project Manager, as the backup for the Los Angeles RHIIP Help Desk Representative. She can be reached at (800) 568-2651, Extension 3859.

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### **Artist at Alost Gardens Apartments Is Honored**

By *Dorothy Anderson*, Project Manager

Back on October 17, 2003, I presented to Taylor Melton who is six years old with a \$50.00 US Savings Bond in recognition of his creative work regarding AHMA's Anti-Drug Poster Contest. This polite and energetic young man is a resident along with his mother at Alost Gardens Apartments. That HUD connected family complex is a 61-unit facility located in Azusa. Congratulations Taylor!



Dorothy Anderson and six-year-old Taylor Melton

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### Securitization of HUD/FHA Multifamily Mortgage Insurance through GNMA Funds

As derived from existing material by *Harvey Friedberg*, Senior Project Manager, Trust Officer



Harvey Friedberg pointing to the location of the HUD office in LA's Financial District

The Government National Mortgage Association (GNMA), a.k.a. "Ginnie Mae", is part of the U.S. Department of Housing and Urban Development (HUD). As I'm sure you all know, HUD is the nation's housing agency committed to increasing homeownership, particularly among minorities, creating affordable housing opportunities for low-income Americans, supporting the homeless, elderly, people with disabilities and people living with AIDS. The Department also promotes economic and community development. Since being chartered by Congress in 1968 as a government-owned corporation, The Government National Mortgage Association has pioneered the

mortgage backed security. It has guaranteed more than \$2 trillion in residential mortgages and provided homeownership opportunities for more than 28 million households. Ginnie Mae's are the only mortgage securities backed by the full faith and credit guarantee of the U.S. government. **HUD/FHA Multifamily Mortgage Insurance is secured through GNMA Funds.**

Investment capital is critical to fulfilling Ginnie Mae's mission of expanding affordable housing and homeownership in America. By helping domestic and international institutions to better understand mortgage-backed securities in general, and Ginnie Mae mortgage-backed securities in particular, its easier for the Federal Housing Administration (FHA) and mortgage lending institutions to attract the capital necessary to finance affordable housing and homeownership.

GNMA issues a piece of paper (the security) that certifies that HUD/FHA loans with balances equal to the amount of the security are being held in trust to back the security. GNMA provides sources of funds for residential mortgages, insured or guaranteed by the FHA. HUD's (Ginnie Mae) Multifamily Mortgage-Backed Securities programs enable approved lenders to securitize project and construction loans. These Ginnie Mae programs help to channel funds from the securities markets into the mortgage market and, in so doing, they expand available financing for apartments and other multifamily housing. Once GNMA issues the security it's delivered to the S&L or mortgage banker that originated the loans. The originator then sells the piece of paper to a Wall Street broker and replenishes

his cash in order to make more loans. Wall Street firms create and sell GNMA Mutual Funds to the investing public. These popular GNMA Funds offer investors a higher level of income than is generally available solely from short and intermediate term government bonds. They seek to provide current income as well as preservation of capital by investing primarily in mortgage-backed securities guaranteed by GNMA.

Ginnie Mae acts as one of the primary vehicles for opening up opportunities in the multifamily housing marketplace. By promoting access to mortgage credit, and increasing the liquidity of mortgage investment, Ginnie Mae helps real estate developers, investors and mortgage bankers, which in turn increases the availability of affordable housing for homeowners and renters.

GNMA guarantees investors that their investment is safe, while at the same time assuring the taxpayer that HUD is managing the financial risk behind that guarantee. By stimulating the expansion of lending activity, Ginnie Mae plays a major role in helping to meet our nation's demand for multifamily housing.

Ginnie Mae securities are attractive for three critical reasons:

1. **SAFETY** - The Ginnie Mae guaranty assures investors that their investments are safe and that they will receive timely principal and interest payments on their investments. The Ginnie Mae guaranty is backed by the full faith and credit of the United States Government. If the mortgagor makes his payment the investor is guaranteed to receive his share. GNMA guarantees that all payments due the investors are paid by the originating organization or by the US Government.
2. **LIQUIDITY** - Ginnie Mae securities are part of an active and well-established secondary market. Since 1970, the year that the first Ginnie Mae mortgage-backed security was issued, more than \$1.7 trillion worth of Ginnie Mae securities have been issued and more than \$600 billion remain outstanding. Because Ginnie Mae securities are among the most widely held and traded mortgage-backed securities in the world, they can easily be purchased and sold. Investors are not required to underwrite each loan individually making large purchases much easier. The securities are extremely liquid compared to individual loans, so, financial institutions can create securities of their own loans to hold knowing that they can sell them quickly to raise cash if necessary. Wall Street brokers can make a great deal of money buying and selling mortgage backed securities.
3. **YIELD** - Ginnie Mae securities offer an attractive yield. Historically, Ginnie Mae securities have delivered a yield ranging from one-half to more than one full percentage point higher than securities of comparable maturities. Investors who have never dealt in mortgages can understand securities and the higher yields are an attractive reason to try them out.

More information about Ginnie Mae is available at [www.ginniemae.gov](http://www.ginniemae.gov).

HUD Multifamily FHA insured housing programs, financed with Government National Mortgage Association (GNMA) Mortgage Backed Securities, are offered locally through the Los Angeles Multifamily HUB. These Multifamily Housing programs allow for long-term, fixed rate financing (up to 40 years) for new and rehabilitated properties and (up to 35 years) for existing properties without rehabilitation.

Additional detailed information, regarding HUD Multifamily FHA insured programs, can be found at the following HUD.GOV site address.

## Performance Based Contract Administrator (PBCA) Joint Workshop

By *Yvonne Stevens*, former Senior Project Manager/CAOM (prepared prior to her recent departure from HUD to accept a position with Homeland Security in Michigan. The PBCA point of contact in our office at this time is Bill Christiansen at (800) 568-2651, Extension 3600).

The Department, Los Angeles LOMOD, and California Quadel (CAQ) conducted a joint workshop, which was hosted by AHMA. The workshop was conducted December 10, 2003. The workshop started at 9:30am and ended at 12:30pm. Members of the panel consisted of the following:



Yvonne Stevens, former  
Senior Project  
Manager/CAOM

- Yvonne Stevens, Sr  
Project Manager/CAOM  
(HUD)
- Mary Maher, LA LOMOD  
(PBCA)
- Steven Mikelman,  
Managing Director, CAQ  
(PBCA sub-contractor)
- Jeannette Clause,  
Director, ICAP (CAQ sub-  
contractor)

Also present from HUD to assist with questions and answers were Rick Abdalla, S8/PBCA Team Supervisor and Helen Haynes-Taylor, Senior Project Manager/Troubled Projects.

Ms. Clause (ICAP) provided a detailed description of requirements for one hundred percent (100%) review of all vouchers submitted for Housing Assistance Payments (HAP). She emphasized the need for owners/agents to submit supporting documents and vouchers in a timely manner. During the three-month transitional period (December 2003, January/February 2004), the PBCA is required to develop a baseline to make accurate and timely payments for subsidy. Residents are reminded of the importance of their role to provide information to owners/agents, when required.



Workshop Participants

Future workshops in South Los Angeles, and San Diego counties will be scheduled. Participants will receive invitations from the PBCA. Please plan to attend the workshops. The Department looks forward to the partnership established with our PBCA, and continuing to provide affordable housing that is decent, safe, sanitary, in good repair, and free from discrimination.



Workshop Participants

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**Last, but not least ...**



Los Angeles Multifamily Hub Management Team

*L to R:* Hermie Samoy (Supervisory Project Manager, Asset Management Team B, Traditional), Dana Hendrix (Supervisory Project Manager, Traditional Processing), Dorothy Timmons (Supervisory Project Manager, MAP Team 2), Rick Abdalla (Supervisory Project Manager, Team A, PBCA Oversight), Joe Hirsch (Director), James Sam (Program Manager), Bill Christiansen (Operations Officer, Support Team), and Beverly Emerson (Administrative Staff Specialist, Support Team)

**Request for Clarification and Increase of Late Rent Payment Fees**

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**U.S. Department of Housing and Urban Development**

Los Angeles Multifamily HUB  
611 West Sixth Street, Suite 800  
Los Angeles, California 90017

February 2, 2004

Ms. Vikki Gherzi, Vice President  
Legislative & Regulatory Affairs  
Affordable Housing Management Association  
2900 Bristol Street, Suite G-105  
Costa Mesa, CA 92626

Dear Ms. Gherzi:

SUBJECT: Request for Clarification and Increase of Late Rent Payment Fees

This is in response to your January 23, 2004, letter on this subject that was provided me after our monthly liaison meeting on January 26, 2004. There was also considerable discussion during the meeting regarding the issues raised in your letter.

I've reviewed your letter and also sought input from several of our most experienced and senior staff in Asset Management. I've also considered our long-standing written policy, the new Occupancy Handbook 4350.3 and the model lease, the policy in other offices, as well as consistency in our policy with changing economic conditions. But, most of all, I've considered the matter of a financial hardship to our low-income residents who receive rental subsidy and who would bear the burden of any change to our existing policy.

While your letter raises the question of clarification of an owner/agent's responsibility to follow our long-standing policy, it is clear to me that you are primarily requesting that we revise it to provide for a cap of \$25 that is in excess of our current cap of \$10 for a monthly rent payment late charge.

Based upon my review, recommendations of our senior staff and the provisions contained in the new occupancy handbook and the model lease, I'm persuaded that **our policy shall be changed effective immediately to provide that Appendix 4-A, in Occupancy Handbook 4350.3, supersedes our previous policy in this matter.**

While this change does not impose any cap on the total late fee for a monthly rental payment, the language in the above provision also does not provide for a late fee if the payment is received within the first five days of the succeeding month. A \$5 fee may only be charged if payment is received on the sixth day and an additional fee of \$1 per day begins on the sixth day of the month.

I have made our staff and our Section 8 Performance Based Contractor aware of this change, and will anticipate the cooperation of your membership in assuring compliance.

Sincerely,

*Joe L. Hirsch*

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Joe Hirsch  
Los Angeles Multifamily Hub Director



Submission received for our newsletter from President Noel Sweitzer at HDSI Management regarding awards received for excellence in Supportive Services for 2003.

*L to R: Young Jung, Noel Sweitzer, and Teresa Taylor*

**Letter of Support**

**June 30, 2003**

Supportive Service Coordinator  
Competition

American Association of Service Coordinators  
919 Old Henderson Road  
Columbus, Ohio 43220

Dear Sir/Madame:

**RE: LETTER OF SUPPORT  
YOUNG JUNG & TERESA TAYLOR  
2003 SUPPORTIVE SERVICE COORDINATOR AWARD**

It is my privilege to nominate the above referenced supportive service coordinators for the 2003 award in that field. Mr. Jung and Ms. Taylor serve as this firm's supportive service coordination team. They are a team in that each knows the other's workload and can either share in the duties or fill in where necessary.

By way of background, the supportive service function is one that has been incorporated into this management firm's operation since the experimental awards were first issued in 1994. A grant request was prepared for HUD and won by the firm on behalf of three of its client projects.

This firm's work in this specialty has evolved over the ten years that supportive services have been provided residents. The major concentration of the supportive service team is on senior residents and their full functioning in HUD buildings. However, in the last few years, assistance has been extended out to families who request assistance. Each project pays its own share of costs for the supportive services given.

Both Ms. Taylor and Mr. Jung have been at the firm for approximately three years. They are graduates of the University of Southern California's School of Gerontology. This scholastic background permits them access to their faculty, about six blocks from this office, when there is an unusual situation. And, the basic course work has advantaged them in being on the methodological forefront of gerontology. The degree includes courses in psychology, sociology, biology and care management of elder populations.

The plural of population is used because there are a number of different ethnic backgrounds of their senior clients that have to be understood and respected by the supportive service team. They are assisting Koreans, Hispanics, Filipinos, Russians, Chinese, African Americans and Caucasians. Each of the different groups has certain cultural differences that require tailoring of the primary supportive service delivery program in order to be effective.

One helpful tool for the team is the Supportive Service Resource Directory. This is a ten pound document maintained by the Supportive Service Team. It is constantly updated by them with new information on items of interest and support to seniors. It is also user friendly to the rest of the management staff, in case a situation occurs and the supportive service staff is on site and not available for an immediate

When taking over a senior project, the Supportive Service Coordinator Team understands that it needs local assistance and knowledge to maximize support for its seniors. Enclosed is a copy of the initial resource document prepared by the Team for Sahara Senior Villa. This is a proposed Section 202 project for the City of Hemet, California. This document includes both a written and illustrated summary of the programs and facilities that a senior could access with the help of the Supportive Service Coordinator Team.

Money is an issue in program delivery for seniors. Therefore, the Supportive Service Coordinator Team must know where senior resources can be obtained for little or no cost.

In one case, the Supportive Service Coordinator Team was able to write a simple grant request and gather \$2,500 in order for a large television and video taping system to be purchased for a Section 202 building in South Los Angeles. Getting a resident out of his/her unit and into community space where tenant interaction can take place is important to maintaining a resident's interest in daily living. This also leads to longer life spans.

On many occasions the work of the Supportive Service Coordinator Team has been able to increase the number of hours available to frail residents. This has even gone so far as to get church members of the affected residents to volunteer to come over to a homebound senior living in a HUD building. Thereby, the resident can continue to live in the building as opposed to having to relocate to assisted care.

Having begun work with HUD in Washington on the Under Secretary's staff in 1969 and continued with the Department until 1978, I have been taught the quality of service HUD wishes to deliver to its clients through assisted housing. This Supportive Service Coordinator Team could not be better trained or have a better set of ethics and service to seniors. The team exemplifies the Supportive Service Coordinator excellence HUD demands.

Ms. Taylor and Mr. Jung have hearts that permit them to be called at any hour when a senior needs help. They have the academic knowledge to deliver the best product in the supportive service coordination field. They have the skills to interact with administrators and building owners in order to provide information and gather resources. And, they have a sense of duty that demands each to produce the highest level of support available to their senior clients.

If you have any questions about this letter of support, please do not hesitate to contact me.

With kind regards, I am

Sincerely,

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Noel L. Sweitzer  
President

NLS/n  
Enclosures

Content current as of January 1, 2004

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