# June 2013 Sin A June 2013 Wolfman, Development 1 June 2013 Volume 23, No. 3

### **Kentucky Housing Partner**





Louisville Multifamily Program Center

Mr. HUD

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Mr. HUD is lounging on the beach in an undisclosed location (no, not in a bunker), resting and recovering from another successful Multifamily Housing Conference.....there is just so much learning he can



Dear Mr. HUD: Was that you I saw in the lovely white suit during the Mardi Gras party at the conference?

Dear Partier: The gentleman in the lovely white suit was Jack Edwards, the winner of the Mardi Gras costume contest. Of course I thought I was much better decked out in my gold vest, purple cape, and bright red top hat complete with multicolor ropelights. But, the voters spoke, and they said Jack looked better! Wait until next year Jack!

Dear Mr. HUD: My property was recently awarded Low Income Housing Tax Credits to finance a major rehab. My property has Section 8 residents. Which lease should I use for the Section 8 residents, the HUD model lease or the LIHTC lease? I'm so confused!!!!

Dear Confused: How wonderful your owner pursued LIHTC to improve your property. If there is a Section 8 contract at the property, the eligible resident must sign the applicable HUD model lease. And then enjoy their beautiful new unit!!!







#### **A Collaborative Effort Celebrated**

Carrollton Village located in Carrollton, Kentucky recently held a ribbon cutting ceremony to celebrate the collaborative efforts of HUD, USDA Rural Housing, Kentucky Housing Corporation, Regions Bank, Ohio Capital, Lancaster Pollard, and the Wallick Communities.

The \$7.57 million renovation project included replacing doors, windows, HVAC systems, installing low-flow faucets and toilets to make the 80 units more energy efficient. In addition, each apartment is now equipped with Energy Star rated washers and dryers and dishwashers. Small storage units located next to the backyard patios were also added. The community building was reconfigured for accessibility. The improvements and upgrades modernize the property to ensure the continued viability of this affordable housing resource.

The most touching moments of the ceremony were the comments made by the residents who were so thankful for their "new" homes. One resident said that she had lived at Carrollton Village since 1991 and raised three children at the complex. She said, "It's beautiful and clean. This is my home, and I appreciate everything you all have done."

Congratulations to Carrollton Village staff and the Wallick development team for their efforts in bringing this

substantial rehab project to reality.



### Kentucky Multifamily Housing Hall of Fame

The following is a slightly altered version of the Kentucky Multifamily Housing Hall of Fame presentation.



This year's inductee into the Kentucky Multifamily Housing Hall of Fame was the Louisville Office's "unsung hero", our in-house legal counsel, Bob Kuhnle. President Theodore Roosevelt once said, "Far and away the best prize that life has to offer is the chance to work hard at work worth doing." Our inductee has quietly spent more than 35 years doing just that.

The Louisville HUD office is so fortunate to have someone who makes everyone who enters his door feel important and appreciated be they clients, partners or HUD staff. This is a gift that is done daily without fanfare or notice. In countless ways, he makes getting our job done easier.

His efforts have contributed to building and preserving healthy neighborhoods and communities in Kentucky. He has been involved in every phase of Kentucky's expansion of rental housing.

If you have been a part of the development of one of Kentucky Multifamily's 650 projects, he was involved too.

If you have been a part of a TPA, he was involved too.

If you have requested a Lease modification, he was involved too.

If you had concerns about an encumbrance or partial releases of claims, he was concerned too.

If you have had a really tricky situation with a tenant and needed advice, he was there to talk to you too; and

If you work at HUD, you anxiously wait to see the words "legally sufficient" from him too.

For us at the Louisville HUD office, he is more than just a fellow colleague he is our dear friend......

## BOB KUHNLE

### service Goordinator Notes

The 2013 Housing Management Conference was another success. Thanks to Sarah Andino, Daphne Cole, Nancy Hiltibrand, and Vicki Tyson for putting together informative and relevant sessions for conference attendees. Also at the conference, Daphne Cole of Roosevelt House II in Owensboro was named the 2013 Service Coordinator of the Year. Daphne has been at Roosevelt House II for 6 years and has served on the Housing Management Conference for the past several years. Congratulations to Daphne on the outstanding dedication and service that she provides to the residents at Roosevelt House II.

HUD still plans to publish a Service Coordinator grant Notice of Funding Availability (NOFA) in 2013. This Notice will announce the availability of funds to make new grants to owners of privately-owned HUD assisted multifamily housing developments for the elderly and people with disabilities. Check the Department's Grants page and www.grants.gov periodically for published NOFAs and information on the Service Coordinator NOFA. The <a href="https://www.grants.gov">www.grants.gov</a> website also has a service that you can sign up to be notified when the NOFA is released.

For Service Coordinator programs that run out of funds by September 2013, grantees should submit requests for cost extensions 120 days prior to the date the existing funds will be entirely expended. If grantees submit requests with less than 120 days before they run out of funds, HUD cannot guarantee that the grantee will receive new grants funds by the time their current monies are exhausted. For programs that will expend all funds from October through December 2013, grantees should submit requests for



cost extensions no later than **August 1, 2013**. The FY2013 Grant Extension Procedures for Service Coordinator Program can be found at: <a href="http://portal.hud.gov/hudportal/documents/huddoc?">http://portal.hud.gov/hudportal/documents/huddoc?</a> id=Grant Extension Procedures,PDF.

The Kentucky Association of Service Coordinators (KASC) will meet at KCEOC Corbin Senior Housing at 201 Bishop Street in Corbin, KY on August 8, 2013 from 10:00 am till 2:00 pm. For more information about the meeting or KASC, contact the KASC President, Shawn Bingham at 606-546-3152 ext. 303 or 606-545-2896.

Finally, the American Association of Service Coordinators, National Service Coordinator Conference is August 18-21, 2013, in Indianapolis, Indiana. For more information visit www.servicecoordinator.org.









The 2013 Housing Management Conference, presented by SAHMA and KHC, was held May 14-16, 2013, at the Galt House. It was preceded by a one-day pre-conference course on REAC presented by Michael Gantt of REAC Solutions.

The 2013 Housing Management Conference was a great success! Over 750 attendees joined us for Kentucky Mardi Gras – Housing Masquerade. Through many fundraising activities throughout the conference, \$12,250 was raised for the Galilean Children's Home!

Attendees enjoyed an entertaining opening luncheon with keynote speaker, Toni Blake. Several tracks, including Maintenance, Service Coordinator, Elderly, Owner/Agent, Tax Credits, Family and Novice Manager, allowed for something for everyone in attendance. Following two days of sessions and fun, the conference concluded with comedian Karyn Ruth White.

The committee is very interested in your feedback about the event. For the opportunity to win a \$50 Visa Gift Card please fill out the conference survey: <a href="http://www.surveymonkey.com/s/KYHMC13">http://www.surveymonkey.com/s/KYHMC13</a>.

You can find the handouts with the below link and password:

http://www.sahma.org/kentucky/

Login:ky13docs

Password: C@rniv@l (case sensitive)

Handouts will be available only for a limited time.

The results of the survey are a great source of information for the committee in planning future events. So, on behalf of the 2013 Housing Management Conference Committee, we appreciate you taking the time to complete the survey.

We hope to see you at the 2014 Housing Management Conference!









KHC and HUD Awards	KHC and HUD Awards	SAHMA Poster Contest
Best Curb Appeal	Outstanding Family Property	Kentucky Overall State Winner:
Jamestown Manor/Winterwood, Inc.	Fairington of Lexington/ Gene B. Glick Company	<u>Rachel Baker</u> , 3rd grade, Jackson Manor, Barbourville, KY managed by Franklin Asset Mgmt Co.
	1 7	
110 Percent Award	Manager of the Year—Elderly	Winner in the Kindergarten/First Grade:
Sharon Combs, Redbanks Tower & Apts/	Joyce Williams, Bruce II Apts/Cardinal Mgmt.	Mulhem Abbas, Fairington of Lexington,
Henderson County Health Care Corporation		Lexington, KY/managed by Gene B. Glick Co.
Most Improved Property	Outstanding Elderly Property	Winner in the Fourth through Sixth Grade:
California Square I/Key Property Mgmt.	College Heights/Franklin Asset Mgmt.	<i>Cody Brown</i> , College Heights, Barbourville, KY
		managed by Franklin Asset Mgmt Co.
Outstanding Management Company	Manager of the Year—Special Needs Housing	Winner in the Seventh through Ninth Grade:
TESCO Properties, Inc.	Ashland Group Home/	Breanna Taylor, Woodsview Apartments,
	Bluegrass Regional MH/MR	Henderson, KY managed by TESCO Properties
Outstanding Property Supervisor	Maintenance Person—Family	Winner in the Tenth through Twelth Grade:
	Michael Hollingsworth, Lincolnshire Apts/ Audu-	Isaiah Belle, Woodsview Apartments,
Southcreek Management Company	bon Area Community Services	Henderson, KY managed by TESCO Properties
Outstanding TRACS/Voucher Processing	Maintenance Person—Elderly	Winner in the Senior/Disabled:
Cheryl Ray, Roosevelt House I & II/	James David Falloway, Lee Manor/	<u>Debra Livers</u> , Old Hartford Hills, Owensboro, KY
Beacon Properties	Diversified Management	managed by Diversified Management
Manager of the Year—Family		
Meda Burnette, Tree Top Apts/		
ALCO Mgmt.		









HUD Awards	HUD Awards—Single 100% REAC	HUD Awards—Superior MORs
Production Award	Lincoln Trail Residential Group Home	Franklin Place
The Housing Partnership, Inc.	Bluegrass Village	Rall Place
Production Award Catholic Charities of Louisville	177	Bivins Place
	Virginia Avenue	Bluegrass Village
Greening of Kentucky St. Bartholomew/ The Housing Partnership	Friendship House—Taylorsville	Danielle Court
Best PRAC 811 Bluegrass Village/ Bluegrass Regional MH/MR	Willis Green	Virginia Avenue
	Hope Homes	Ashland Group Home
Best PRAC 202 Yorktown Senior House II/ Hayes-Gibson Int.	Sowders Manor	Redbanks Regency
Service Coordinator of the Year		Westwood Apartments
Daphne Cole, Roosevelt House II/Beacon Properties	Cedar Lake—Keeling	Westbrooke Apartments
Best Market Rate Property Eagle Creek Townhomes/ Winterwood, Inc.	South Fork Retirement Center	Hope Homes
		Dublin Manor
Best Maintenance Person of the Year—PRAC Bluegrass Regional MH/MR Board		McAuley Manor
Maintenance Team	HUD Awards—Double 100% REAC	Mercy Manor
Best Curb Appeal Hope Homes/ Floyd County Housing Authority	Village Square	September Place Annex
Turn-Around Award	Albany Manor	Steward Manor
Baker Apartments/ Marshall Co. Assoc.	Rolling Acres Apartments	Dream Works

### Wellspring Tonini Apartments Dedication

In the 2009 funding round, Wellspring and New Directions Housing Corporation (NDHC) co-sponsored a HUD Section 811 Housing for Persons with Disabilities Program application to rehabilitate the historic Tonini Church Supply building in the Phoenix Hill area of Louisville. HUD awarded the project over a \$1.5 million interest free Capital Advance. The funds do not have to be repaid as long as the project serves the intended population for 40 years.

Construction is complete and on June 20, 2013, the Wellspring Tonini Apartments held an open house and dedication which was attended by the housing partners and the Phoenix Hill community. This new site offers twelve units of attractive, affordable housing for adults with psychiatric disabilities.

Unfortunately, most of the residents have experienced homelessness at some point in their lives. Now, with the help of HUD's Project Rental Assistance Contract, residents will not be required to pay more than 30 percent of their income toward their housing expense. The project will receive up to \$53,200 annually to supplement the tenants' rental income.

In addition to the \$1.5 million awarded by HUD, the project also received an additional \$900,000 from the Kentucky Housing Corporation, Federal Home Loan Bank of Cincinnati, Louisville Metro Housing Authority, Stock Yards Bank & Trust, and historic tax credits.



The Tonini Building housed Tonini Church Supply Company from 1886 until 1992. The Louisville Metro Housing Authority acquired the building and maintained it until a buyer was found that would help with the revitalization of the community. Architect Roger Hughes of Hughes Architecture, Inc. designed the new facility using a mixture of the old building and new construction. The project was constructed by Bosse Mattingly Constructors.



### **Energy Efficient Roofing Options**

The roof generally receives more direct sunlight than any other part of the building. Dark roof surfaces absorb sunlight and reradiate it as heat into the attic and to the surrounding air. This heat gain stresses roof-mounted air handling equipment, warms HVAC ducts in the attic, and shortens the roofing material's life. What's more, it rises outside air temperatures, a phenomenon known as the urban heat island effect. Cool roofs and radiant barriers help mitigate roof heat gain. Another important roofing consideration is longevity; durable roofing products last longer and are more fire resistant than their less durable counterparts.

Cool roofs minimize rooftop temperatures by reflecting a significant portion of the sun's rays away from the roof (high solar reflectance or albedo) and reducing the amount of heat stored by the roofing material (high emittance). Cool roof materials are defined as having a reflectance (albedo) greater than 0.75 and emittance greater than 0.70.

Radiant barriers are thin reflective materials (usually made of aluminum) used to reduce attic temperatures, reduce heat gain in duct work, and reduce 90% or more of the roof deck's radiant heat. They are generally more effective at reducing summertime attic temperatures and subsequent cooling loads than mitigating wintertime heating loads. To be effective, radiant barriers must be open to air on at least one side.

Durable roofing components are able to better withstand the sun's heat and ultraviolet light. There are many options for durable roofing components but the most common is asphalt composition shingles and come in various quality levels, designated by the product's life expectancy. Twenty- to fifty-year shingles are available. Products with forty- to fifty-year ratings are superior because of better backing materials and asphalt coatings.

Cool roofs reduce the urban heat island effect, reduce the building's cooling load and improve comfort. They may also extend the roof's life; they expand and contract less than dark materials, and therefore don't usually deteriorate as quickly. Radiant barriers significantly reduce cooling costs. Durable roofing materials reduce waste and decrease replacement costs.

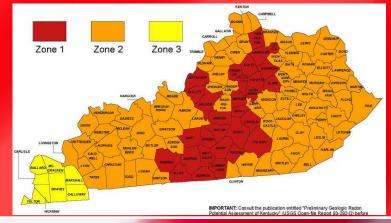
#### **HUD'S NEW RADON GAS POLICY**

HUD has announced a long awaited policy regarding radon gas sampling in multifamily housing. Housing Notice N 2013-3 gives the specific details of this policy. On June 3, 2013 the Notice became effective. Highlights of the Notice will be discussed in this article.

Zones- EPA guidelines recommend mitigation for residences with radon concentrations at or above 4 picocuries per liter ( the Radon Professional who conducts the test will determine the level of the property in question). The EPA has established three zones for radon gas potential in each state based on historic radon sampling data. Zone 1 is the zone with the highest potential for radon gas to be found. Zone 2 is the zone with moderate potential for radon gas. Zone 3 is the zone with the lowest potential. Kentucky zones are shown on the map below.

Requirements- For a 223(f) refinance transaction where a property is located in Zones 1 or 2, on site testing must be performed. For a property in Zone 3, HUD leaves it up to the Radon Professional to determine if radon gas sampling is warranted. Generally, it is expected that testing should not be required in Zone 3 unless unusual conditions are found. If the building has been constructed with radon mitigation in the design, the Radon Professional may determine that further testing is not required. Radon testing as a part of a 223(a)(7) application is encouraged, but is not required. For new construction and sub-rehab properties, all mitigation, including follow-up testing, must be completed prior to Final Endorsement. For 223(f) transactions, mitigation must be completed as quickly as practical, but no later than 12 months after Initial Endorsement.

Questions- If you have specific questions on this issue please contact Wood McGraw at 502-618-8134 or at wood.w.mcgraw@hud.gov.



### What you may not know about APPS (Active Partners Performance System) and e2530 and Paper 2530 processing, but should...

Do you frequently submit a *Previous Participation Certification*; form HUD-2530 in paper format? Have you considered filing your 2530 submissions electronically? If you would like to submit e2530s, but you're not sure how to get started check out the *APPS Industry User Guide* on the APPS homepage found at the following link. <a href="http://portal.hud.gov/hudportal/HUD?src=/program\_offices/housing/mfh/apps/appsmfhm">http://portal.hud.gov/hudportal/HUD?src=/program\_offices/housing/mfh/apps/appsmfhm</a>

Still having trouble navigating the APPS system, contact Devasia Karimpanal, HUD Headquarters, at 202-402-7682.

- \*\*\* Did you know...?
  - \*\*\* a new *Previous Participation Certification*; form HUD-2530, in fillable PDF format, was issued in February 2013 (with an expiration date of 2/29/2016).

    Please be sure you are using the correct form when submitting paper 2530s. If you keep a Master PDF or Word version of your 2530(s), make sure they are on the current form. The HUD-2530 form can be found at the following link; http://portal.hud.gov/hudportal/documents/huddoc?id=2530.pdf
  - \*\*\* several changes were made to the new *Previous Participation Certification*; form HUD-2530? Following are a few of those changes.
    - There is no longer a requirement to alphabetize the list of principals.
    - The Schedule A requires only a listing of the previous projects for the past 10 years.
    - The latest rating/score for both MOR and REAC reviews/inspections, along with the dates of the review/inspection, are required.
    - The provision for submitting a Master List has been eliminated.
    - Certification instructions provide clarification that ALL principals listed in block 7 (page 1 of the 2530) must be listed in the signature block.
    - Emphasizes that Principals who sign on behalf of organizations MUST attach a *Signature Authority* document authorizing them to sign on behalf of the other principals.
  - \*\*\* HUD now allows Trust and Trustees for living/revocable trusts to have the same Social Security Number? Following are the steps for creating Trust and Trustee using the same Social Security Number. (This application is valid only for new registrations for living/revocable trusts.)
    - On the Business Partner Registration page, register the Social Security Number after checking the option "SSN is used as TIN for Sole Proprietor".

#### Create Baseline

- Create the baseline for the trust using the Social Security Number and checking the option "SSN is used as Trust submission".
- All other steps are the same as for any regular baseline creation.
- While creating the baseline for the trust, you can add the trustee using the same Social Security Number by clicking "add principal" and searching for the trustee by the Social Security Number.
- \*\*\* Industry Users and Coordinators can now create baselines in APPS without an individual in the entity. However, there is a glitch in the system which keeps you from submitting an e2530 submission without an individual in tier one. This requirement will be removed with the next APPS release in October.





Conference 2013! Hopefully it's not another entire year before I see you all again. I hope everyone had as much fun as I did! In other news, summer has arrived! That means summer vacation time. I went to Disney World for the first time. We left just a week after conference was over. It was magical just as advertised but I needed a vacation after my vacation. We went to all of the parks for a week and at the end of the week I was worn out! I'm not sure what else I will be getting into this summer—maybe some canoeing and outdoor concerts. Whatever you end up getting in to this summer, be safe and have fun!

Ta-ta for now!





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