



NORTHEAST MULTIFAMILY HOUSING HUB NEWS



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Confirmation

Mayor Julián Castro was officially sworn in as HUD's 16th Secretary on July 28, 2014.



Homeowners' equity is now over \$10 trillion, foreclosure starts are at their lowest levels since 2005, and American families are on pace to purchase over five million homes this year alone. Every area of the Office of Housing stepped up to the challenges of meeting the extraordinary needs during this critical time.

Carol Galante Leaving HUD

Carole Galante, Assistant Secretary for Housing and FHA Commissioner will be leaving HUD.



The following is an excerpt of a message that she sent to her HUD housing staff:

"After serving alongside you for over five years and after careful consideration, I have decided to leave HUD and my role as the Assistant Secretary Housing /FHA Commissioner toward the end of this year. In January, I will assume the I. Donald Turner Distinguished Professorship in Affordable Housing at the University of California, Berkeley, where I will also serve as the Director of the Berkeley Program in Housing and Urban Policy and co-chair the Fisher Center on Real Estate Policy Advisory Board.

When I started as the Deputy Assistant Secretary for Multifamily Housing we were still recovering from the economic crisis and the market was far from stable. Now, because of your efforts, we have helped our housing market come back.

I stepped into the role of Assistant Secretary of Housing and FHA Commissioner just as the toll the legacy portfolio was taking on the MMI Fund became apparent. By working hard to establish the right pricing, increase recoveries on distressed assets and better manage risk, we have turned the corner on those losses and significantly improved the financial health of the Fund.

There are so many other ways in which I hope you will agree that today, we have a much stronger Office of Housing. With the Office of Risk Management, we have implemented a holistic approach to risk assessment for every business line. We have stabilized the HECM Program and partnered with PIH to find ways to invest in public and affordable housing. We managed a fivefold increase in multifamily and healthcare work and we have begun the process of clarifying FHA policy so lenders have clear, consistent guidelines to follow.

Until a successor is determined, I am confident that Biniam Gebre, General Deputy Assistant Secretary for Housing, will provide the leadership and continuity needed to continue progressing toward our shared goals. In fact, it is because of the strong leadership team in both the field and Headquarters that I can leave at this time with great confidence, knowing our work will continue unabated."

80th Anniversary

The Federal Housing Administration (FHA) celebrated its 80th anniversary in June.



It was created in 1934 in the depths of the Great Depression. Now, part of HUD since 1965, the FHA is celebrating its 80th anniversary. Like it did during the Depression, the agency is playing a crucial role in helping to shore up the U.S. economy.

In the depths of the severe economic downturn several years ago, it was the FHA that stepped in as private capital fled the market. The FHA revolutionized home ownership by creating our current financial mortgaging system. It has insured over 35 million home mortgages and 47,205 multifamily project mortgages since 1934.

During its history, FHA has made many contributions to the nation's housing needs. FHA pioneered the 30-year mortgage we all know today. This new mortgage— a loan with a small down payment that could be paid back over time— was very innovative in the 1930s; it led to a significant increase in homeownership.

This and many other innovations, such as increasing the nation's supply of affordable rental housing, integrating housing counseling into the home buying process and providing critically needed healthcare financing in underserved communities can be credited to FHA.

In 1965 the FHA became part of HUD.

Treasury-HUD Housing Partnership

HUD has formed a partnership with the Federal Financing Bank (FFB) to provide FHA-insured financing under the successful Risk-Sharing program.



The economic crisis has made it significantly harder to find affordable rental units, as the demand for rentals has increased. At the same time, affordable multifamily rental properties have become more difficult to finance. The new partnership between Treasury and HUD will help create and preserve more decent rental housing, by significantly reducing financing costs for affordable multifamily apartment buildings compared to the cost of tax-exempt bonds, under current market conditions.

Unlike GNMA, the FFB would not securitize the loans;

rather, as currently contemplated, FFB would purchase certificates or securities evidencing undivided beneficial ownership interests in HUD/FHA-insured loans.

The New York City Housing Development Corporation (NYC-HDC) has worked extensively with HUD/FHA Risk Sharing, Treasury's New Issue Bond Program, tax-exempt bonds and other multifamily housing financing structures. It is anticipated that closing will occur on the first financing this fall.

The partnership will make funds available to other HFAs that meet the qualifications for the Risk-Sharing program and sign an agreement, in accordance the HUD/FHA's program requirements.

Multifamily Retrofit Report

Energy and water consumption represent some of the largest operating costs in multifamily properties, estimated at \$22 billion per year in the US. The newly released *Energy and Water Savings in Multifamily Retrofits* report provides a detailed analysis of 236 multifamily properties that underwent energy and water retrofit projects from 2009 to 2012.

The report includes results for the U.S. Department of Housing and Urban Development's Green Retrofit Program and the Energy Savers Program in Illinois and finds that there were significant energy savings and cost reductions for participating properties.

This is the first study to examine a large and diverse national data set containing pre- and post-retrofit utility data for both owner- and tenant-paid energy and water accounts. In addition to the findings themselves, the challenges faced in performing this research provide useful insights for others seeking to understand and execute energy and water retrofits in multifamily properties.

The report found that the Green Retrofit Program (GRP), implemented by the U.S. Department of Housing and Urban Development, reduced building energy consumption by 18%, and reduced water consumption by 26%. Energy Savers, a project of Elevate Energy and the Community Investment Corporation that targets heating systems in multifamily properties in the Chicago area, reduced gas consumption an average of 26%.

The report can be read in its entirety at:

http://www.sahfnet.org/multifamilyretrofitreport_2_1287596736.pdf

Elderly & Fire Safety

Each year in the United States, about three of every four fire-related deaths and injuries occur because of home fires. Seniors are at particularly high risk for injury and death from residential fires. In fact, people over 65 years of age are three times more likely to die in a residential fire as people younger than 65. Having physical or mental impairments, using chemical substances such as medicines and alcohol, and living with smokers or in substandard housing are some of the risk factors that make older adults more vulnerable to fire injury and death.



Although most fires and associated injuries could be prevented, a large number of households lack working smoke alarms, which could alert them in case of fire. Other households may not be aware of fire safety actions they can take that could potentially save their lives. Effective residential fire safety interventions, including smoke alarm installation and fire prevention education, have been proven to reduce the risk of injury and death, particularly among high-risk households.

Make sure that all of your project's smoke detectors are working (batteries should be replaced every 12 months) and your tenants know how to prevent and report fires when they occur.

Refinancing Cooperatives

HUD has issued a final rule that revised its regulations to enable existing multifamily cooperative project owners to obtain FHA insurance for the refinancing of existing debt. The new language adds multifamily cooperatives as eligible properties under Section 223(f).

Allowing refinancing for cooperatives helps to preserve affordable housing stock. The regulatory change will assist eligible cooperative projects to obtain FHA insured refinancing to make necessary repairs and/or consolidate more expensive outstanding debt, thereby preserving affordable housing stock.

Refinancing at lower rates will facilitate funding for needed repairs that would help to avoid the need for a special assessment (often needed for a large emergency repair such as a leaking roof), which benefits the residents. If the cooperative's reserve fund is too low, the residents must pay the cost of the assessment and this could harm low-to-moderate income occupants, especially those on a fixed income.

Tenant Organization Appeal Rights

HUD has amended Notice H 2012-21, *Implementation of Tenant Participation Requirements*.



The revision establishes a formal appeal process where a determination of "reasonable cause" has been assessed against a project owner for a consistent pattern of violations of HUD regulations against tenants and tenant organizations.

Upon the submission of a complaint, the Hub Director/Program Center Director will investigate the complaint and, if warranted, attempt to get all parties to sign a conciliation agreement. If a determination of "no reasonable cause" is made, the case will be closed. However, if a determination is made to pursue enforcement action, a Notice of Violation of the Regulatory Agreement and/or Notice of Default of the Housing Assistance Payment Contract will be made. If the owner fails to respond, or does not satisfactorily address the violations, a referral will be made to the Departmental Enforcement Center (DEC) and the owner will be flagged in the Active Partners Participation System (APPS).

Complainants can appeal decisions of the Hub Director/Program Center Director by sending a letter to the Director, Office of Asset Management. HUD will then either re-open the complaint or issue a finding of "no reasonable cause."

Section 232 Handbook

On May 28, the Office of Healthcare Programs published Handbook 4232.1, which is the first handbook devoted exclusively to the Section 232 Healthcare Mortgage Insurance Program.

The Handbook is a comprehensive guide to the Section 232 Program, covering all aspects of Production and Asset Management. It sets forth Section 232 policies and protocols. Beginning September 1, 2014, the Handbook provisions will apply to new applications and requests to the Office of Residential Care Facilities (ORCF) and to projects already in the Section 232 pipeline or the Section 232 portfolio as of that date.

The handbook can be found at:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/hsg

Carbon Monoxide- Silent Killer

Carbon monoxide (CO) is a colorless, odorless and tasteless poison gas that can be fatal when inhaled because it inhibits the blood's capacity to carry oxygen. It is the leading cause of accidental poisoning deaths in North America. The only safe way to know if carbon monoxide is present is to install carbon monoxide detectors (alarms), with electrochemical sensing technology, on every level of a residence, especially sleeping and living areas.



A true alarm is an indication of potentially dangerous levels of CO. CO alarms are designed to alert you to the presence of this gas before most people would experience symptoms of CO poisoning. Many cases of reported CO poisoning indicate that while victims are aware they are ill, they become disoriented and are unable to exit the building or call for assistance. Also, young children and household pets may be the first affected. Here are some symptoms of CO Poisoning:

- Mild Exposure (Below 50 PPM)- Slight headache, nausea, vomiting, fatigue (often described as “flu-like” symptoms).
- Medium Exposure (50-100 PPM)- Severe throbbing headache, drowsiness, confusion, fast heart rate.
- Extreme Exposure (Above 100 PPM)- Unconsciousness, convulsions, cardio-respiratory failure, death.

Possible Sources of Carbon Monoxide:

- Appliances and grills used for heating and cooking.
- Vehicles and other combustion engines running in a garage, attached or near a home.
- Burning fossil fuels, such as gasoline, propane, natural gas, oil, charcoal and wood.
- Malfunctioning, improperly installed, or unvented appliances, such as automobiles, furnaces, gas ranges/stoves, gas clothes dryers, water heaters, portable fuel burning space heaters and generators, fireplaces, wood-burning stoves and certain swimming pool heaters, blocked chimneys or flues, back drafts and changes in air pressure, corroded or disconnected vent pipes and loose or cracked furnace exchangers.

Improper location can affect the sensitive electronic components in a CO alarm. To avoid causing damage to the unit, to provide optimum performance, and to prevent unnecessary nuisance alarms, the following precautions should be taken:

- Do not install in kitchens, garages or furnace rooms that may expose the sensor to substances that could damage or contaminate it.
- Do not install in areas where the temperature is colder than 40°F (4.4°C) or hotter than 100°F (37.8°C) such as crawl spaces, attics, porches and garages.
- Do not install within 5 ft. of heating or cooking appliances.
- Do not install near vents, flues, chimneys or any forced/unforced air ventilation openings.
- Do not install near ceiling fans, doors, windows or areas directly exposed to the weather.
- Do not install in dead air spaces, such as peaks of vaulted ceilings or gabled roofs, where CO may not reach the sensor in time to provide early warning.
- Do not install this unit near deep-cell large batteries. Large batteries have emissions that can cause the alarm to perform at less than optimum performance.
- Do not obstruct the vents located on the alarm. Do not place the alarm where drapes, furniture or other objects block the flow of air to the vents.
- Do not install on a switched or dimmer-controlled outlet.

By taking a precaution and installing carbon monoxide detectors, you can insure that your tenants will not become a victim of the “silent killer.”

Flood Insurance Coverage

The Biggert-Waters Flood Insurance Reform Act of 2012 increased the maximum building coverage the National Flood Insurance (NFIP) can offer for Flood Insurance Policies on multifamily buildings containing 5 or more residential units, from \$250,000 to \$500,000. The maximum amount for non-residential buildings (e.g., nursing homes) stayed the same at \$500,000.



This change took effect on June 1, 2014.

For more details, see FEMA Notice W-13070, dated December 16, 2013 at:

http://www.nfipiservice.com/stakeholder/fema2/w-13070_full.pdf

Radon & Granite Countertops

Granite's durability and decorative appearance make it a popular building material in homes and buildings. As the popularity of granite countertops has grown in the last decade, demand for them



has increased tenfold according to the Marble Institute of America, a trade group representing granite fabricators. One source, Graniteland offers more than 900 kinds of granite from 63 countries. And with increased sales volume and variety, there have been more reports of "hot" or potentially hazardous countertops, particularly among the more exotic and striated varieties from Brazil and Namibia.

Any type of rock could contain naturally occurring radioactive elements like radium, uranium and thorium. Some pieces of granite contain more of these elements than others, depending on the composition of the molten rock from which they formed.

Allegations that granite countertops may emit dangerous levels of radon and radiation have been raised periodically over the past decade, mostly by makers and distributors of competing countertop materials. Radon is the second leading cause of lung cancer after smoking and is considered especially dangerous to smokers, whose lungs are already compromised. Children and developing fetuses are vulnerable to radiation, which can cause other forms of cancer. The Marble Institute of America has said such claims are "ludicrous" because although granite is known to contain uranium and other radioactive materials like thorium and potassium, the amounts in countertops are not enough to pose a health threat. Indeed, health physicists and radiation experts agree that most granite countertops emit radiation and radon at extremely low levels. They say these emissions are insignificant compared with so-called background radiation that is constantly raining down from outer space or seeping up from the earth's crust, not to mention emanating from manmade sources like X-rays, luminous watches and smoke detectors.

But with increasing regularity in recent months, the Environmental Protection Agency (EPA) has been receiving calls from radon inspectors as well as from concerned homeowners about granite countertops with radiation measurements several times above background levels. It recommends taking action if radon gas levels in the home exceeds 4 picocuries per liter of air (a measure of radioactive emission); about the same

risk for cancer as smoking a half a pack of cigarettes per day. A "hot" granite countertop might add a fraction of a millirem per hour and that is if you were a few inches from it or touching it the entire time.

Nevertheless, there is no known safe level of radon or radiation. Scientists agree that any exposure increases your health risk. A granite countertop that emits an extremely high level of radiation, as a small number of commercially available samples have in recent tests, could conceivably expose body parts that were in close proximity to it for two hours a day to a localized dose of 100 millirem over just a few months.

The Marble Institute of America plans to develop a testing protocol for granite, especially for the new exotic varieties, to reassure the public that their granite countertops are safe. Research scientists at Rice University in Houston and at the New York State Department of Health are currently conducting studies of granite widely used in kitchen counters. Preliminary results show that of the 55 samples from nearby fabricators and wholesalers, all of which emit radiation at higher-than-background levels, a handful have tested at levels 100 times or more above background.

Personal injury lawyers are already advertising on the web for clients who think they may have been injured by countertops. "I think it will be like the mold litigation a few years back, where some cases were legitimate and a whole lot were not," said Ernest P. Chiodo, a physician and lawyer in Detroit who specializes in toxic tort law.

To find a certified technician to determine whether radiation or radon is emanating from a granite countertop, homeowners can contact the American Association of Radon Scientists and Technologists (aarst.org). Testing costs between \$100 and \$300. Information on certified technicians and do-it-yourself radon testing kits is available from the Environmental Protection Agency's web site at: epa.gov/radon, as well as from state or regional indoor air environment offices, which can be found at: epa.gov/iaq/wherelive.html. Such kits test for radon, not radiation, and cost \$20 to \$30. They are sold at hardware stores and online.

HUD.Gov Web Site

HUD's web site, is an excellent way for clients and the general population to learn about HUD programs and funding opportunities.

In the last 90 days, the second highest number of visits and views occurred on the REAC web page— 238,969 visits and 331,518 views!

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/reac/online

Employee Background Checks

The Equal Employment Opportunity Commission (EEOC) and the Federal Trade Commission (FTC) have recently released a joint publication entitled "Background Checks: What Employers Need to Know." This document does not provide any new agency rules or guidance, but does contain "best-practices" guidelines and directs employers to other resources with additional help.



EEOC best practices, suggested before an employer gets background information, include:

- In all cases, make sure that you're treating everyone equally. It's illegal to check the background of applicants and employees when that decision is based on a person's race, national origin, color, sex, religion, disability, genetic information (including family medical history), or age (40 or older). For example, asking only people of a certain race about their financial histories or criminal records is evidence of discrimination.
- Except in rare circumstances, don't try to get an applicant's or employee's genetic information, which includes family medical history.
- Don't ask any medical questions before a conditional job offer has been made. If the person has already started the job, don't ask medical questions unless you have objective evidence that he or she is unable to do the job or poses a safety risk because of a medical condition.

The FTC requires that if you get background information (for example, a credit or criminal background report) from a company in the business of compiling background information. Also, the following prerequisite actions are required by the FCRA:

- Tell the applicant or employee you might use the information for decisions about his or her employment. This notice must be in writing and in a stand-alone format. The notice can't be in an employment application. You can include some minor additional information in the notice (like a brief description of the nature of consumer reports), but only if it doesn't confuse or detract from the notice.
- If you are asking a company to provide an "investigative report," a report based on personal interviews concerning a person's character, general reputation, personal characteristics and lifestyle, you must also tell the applicant or employee of his or her right to a description of the nature and scope of the investigation.

- Get the applicant's or employee's written permission to do the background check. This can be part of the document you use to notify the person that you will get the report. If you want the authorization to allow you to get background reports throughout the person's employment, make sure you say so clearly and conspicuously.
- Certify to the company from which you are getting the report that you: notified the applicant and got their permission to get a background report, complied with all of the FCRA requirements and won't discriminate against the applicant or employee, or otherwise misuse the information in violation of federal or state equal opportunity laws or regulations.

Additional information is provided for employers with regard to using background information and disposing of background information. To review the entire document, visit:

www.eeoc.gov/eeoc/publications/background_checks_employers.cfm.

Tenant Social Activities

An active program of social activities can reap significant rewards to project management in the form of a happy and engaged tenant body.



Among the more common activities that we see are: bingo games, coffee hours, monthly birthday celebrations, movie matinees, Wii Bowling, line dancing, game nights, book clubs, Neighborhood Networks, pizza parties, picnics, bus trips, health/wellness fairs, etc.

What is your project doing in this area? To have it spotlighted in a future edition of *Philadelphia Multifamily Hub News*, send your list of activities to:

thomas.langston@hud.gov.

Closing Documents

HUD has revised many of the closing documents used for multifamily transactions.

The revised documents can be viewed at HUD's Forms Resources webpage. See:



http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/forms/

Fast Housing Facts

- In February 2014, the number of multifamily units earning the Energy Star label reached 100,000. Roughly 33% of Americans living in apartments spend approximately \$22 billion on energy use each year.
- In 2011, Energy Star products helped prevent 210 million metric tons of greenhouse gas emissions—equivalent to the emissions from 41 million vehicles—and reduced utility bills by \$23 billion.
- In 2012, alone, Americans saved \$26 billion on their utility bills with the help of Energy Star.

Wood Highrises

High-rises made from wood? This seems inconceivable. However, the federal government is promoting it as a super-strong building material that has a smaller price tag and environmental footprint.

The new building material are cross-laminated building panels made up of layers of wood glued and pressed together, each perpendicular to the next. The resulting engineering panel is considered strong enough to replace steel or concrete in the structure of larger buildings.



Although the tallest timber building in the world is a nine-story apartment building in London, 30-story and 34-story towers have been proposed for Vancouver and Stockholm, respectively.

Top 10 Cities- ENERGY STAR Buildings



The EPA has published a list of the top ten cities in the U.S. with the most ENERGY STAR certified buildings.

Three cities in the New York Hub made the list: #2– Washington, DC (318 buildings, 109.1 million sq. ft.), #4– New York (303 buildings, 113.8 million sq. ft.), and Philadelphia (210 buildings, 34.5 million sq. ft.).

Affordable Housing & Children’s Brainpower

The amount of money low-income families spend for housing affects their children’s cognitive ability, with too little or too much having a negative impact, a study from Johns Hopkins University showed.



Children’s reading and math ability suffer when families spend more than half of or less than 20% of their income on housing, researchers at Baltimore, Maryland-based Johns Hopkins said last week, adding that 30% of income is an optimal amount.

The study underlines the importance of affordable housing for families with children, the researchers said. Families that spend most of their money on housing have less to pay for educational enrichments like books and computers necessary for children’s development, the study showed, while those that spend too little risk putting their children in an unhealthy environment.

“Rather than finding a bargain in a good neighborhood, they’re living in low-quality housing with spillover effects on their children’s development,” Sandra Newman, a Johns Hopkins professor of policy studies and one of the study’s co-authors, said in the report.

APPS Upgrades



The following functionalities have been added to enhance the Active Partners Performance System (APPS) system’s capabilities, based on the May 31, 2014 APPS re-

lease:

- In addition to the coordinator/user that created the 2530 submission, users that are assigned AUP roles now have access to the submission and can upload the 2530 submission package. Previously, only the user that created the submission could upload the package.
- The Inspection/MOR scores/ratings are now displayed based on date range, instead of the latest score/rating, for industry to accept the correct score/rating based on their date of participation. HUD 2530 reviewers can still see the latest MOR ratings and inspection scores.

“Around the Hubs”**PHILADELPHIA****New Program Center Director**

Dean Santa, Project Manager, has been selected to be the new Director of the Newark Program Center. We wish him all the best in his new position.

Former HUD Employees

Over the past several months, the Philadelphia Hub has lost the following employees due to retirements or transfers: Philadelphia- Theresa Triolo, CAOM, James Henderson, Architect, and Joanne Esposito, Program Assistant; Pittsburgh- Lori Palmieri, Project Manager and Trish Obringer, Project Manager; and Newark- Robert Goldberg, Project Manager, Victor Minelli, Project Manager and Curtis Rumph, Construction Analyst.

Landlord Wins Court Appeal

A Glassboro, NJ landlord and his tenant have won a court challenge to a borough ordinance. Adam Szyfman and Graham Feil argued Glassboro officials exceeded their authority with a measure addressing “disorderly” properties and houses of “ill fame.” The decades-old ordinance allowed \$200 first-offense fines for landlords and property residents, even if they were not present at the time of an alleged violation. A state appeals court agreed with the men, ruling the local measure is contrary to state law.

The three-judge appellate panel said state law “plainly preempted” the local measure. It said the state Legislature had “expressed the state’s policy on the criminalization of a certain conduct by either including a prohibition against the conduct or by excluding such a prohibition.”

The decision reversed a lower-court ruling in the borough’s favor.

NEW YORK**Interagency Olmstead Meeting**

On June 9th, 2014, the New York Regional Office hosted a day-long meeting to discuss Olmstead-related issues with partners from HHS, the Centers for Medicare and Medicaid Services (CMS), DOJ and staff from various New York State government agencies (NYS). Regional staffs were joined by Jennifer Ho, HUD Senior Advisor to the Secretary on Health and Services and Jennifer Burnett, CMCS, Division Director, Community Systems Transformation, from the Centers for Medicare and Medicaid Services (CMS) Central Office. There was an impressive turnout from NYS as well, including representatives from the following agencies: Office of the Governor, Department of Health, Homes and Community Renewal, Office of Mental Health, Office of People with Developmental Disabilities, Aids Institute, Office of Health Insurance Programs, Office of Temporary and Disability Assistance, and Office of Alcoholism and Substance Abuse Services.

The meeting provided the agencies with an opportunity to discuss ways in which they can work together to support state and local efforts to increase the integrated housing opportunities for individuals with disabilities who are transitioning from, or at serious risk of entering, institutions and other restrictive, segregated settings. This was the first time federal agencies met with New York State to identify areas of support for the State’s Olmstead plan, Medicaid Redesign Team (MRT) and Home and Community Based Services efforts. NYS provided presentations on the work they are doing related to MRT, the State Olmstead Plan, and other supportive housing activities. State representatives also had a chance to hear from key HHS and HUD personnel to gain an understanding of the cross-collaboration activities between the two agencies. The meeting was seen as a huge success and concluded with a discussion about potential avenues for future collaboration.

Identification Card system

New York City has established the nation's first municipal identification card system. The card, dubbed the New York City Identity Card, will be available to anyone who can prove their identity and residency. It will be a valuable document for those who have been unable to obtain an identification card in the past, such as the elderly, the homeless and immigrants who struggle to access supportive services.

New York Hospitals

Carol Galante, FHA Commissioner, recently, traveled to New York City with Roger Miller, Deputy Assistant Secretary for Healthcare Programs, to visit two of the largest hospitals in the Section 242 program's portfolio- New York-Presbyterian (NYP) and Montefiore Medical Center. Both visits to these multifaceted facilities, which have quite different approaches and clientele, were very informative.

It was observed that the hospitals' staff of both NYP and Montefiore have good management teams that are very focused and future-oriented on the manner in which they deliver healthcare services. Of particular interest was how the hospitals are integrating the provisions of the Affordable Care Act. The ACA is having a dramatic impact on the way healthcare is being accessed and administered. To date, over 8 million people have enrolled in healthcare plans and nearly 60% of them were uninsured before. More patients can now be cared for without hospitals having to absorb those previously unpaid costs. These large facilities are dealing with a number of very complex issues, not just ACA but also Medicare and many other programs.

Staffing News

In July, Victoria Heath, Project Manager, retired.

The NY Office mourns the passing of Sharon L. Joseph, on July 11, 2014. Ms. Joseph was a Project Manager on the Bronx Asset Mgmt. Team and had 25 years of experience at HUD. She will be missed by her colleagues and HUD clients.

BOSTON

Former HUD Employees

Over the past several months, the Boston Hub has lost the following employees due to retirements or transfers:



Suzanne Piacentini, Director Hartford Program Center, Mark Seltzer, Supervisory Project Manager, Albert Aladjem, Sr. Project Manager and Cecile Chabot, Sr. Project Manager.

Low Income Tax Credit Project

On July 9, 2014, Vincent Benvenuto, HUD Senior Project Manager, spoke at a ribbon cutting ceremony to celebrate the completion of renovations and improvements at Turtle Creek Apartments, a 110-unit property located in Beverly, MA. It was originally developed in 1982 utilizing the Section 202 Direct Loan Program. In 2003, the project was refinanced under the Section 221(d)(4) program. In 2013, HUD received a firm application under the Low Income Housing Tax Credit Pilot Program. HUD approved and provided over \$10,000,000 in Section 223(f) FHA insurance proceeds to preserve 109 units of affordable housing and to make numerous repairs and upgrades (e.g., windows, refurbished elevators, carpets, air conditioning covers, siding, LED lighting, etc.). Additionally, funds were also used to make the project more energy efficient and Green. For example, this facility changed from oil to gas, as well as, obtained new boilers and cogeneration system to generate electric power on site while heating hot water.

During the ceremony, residents were given the opportunity to listen to local politicians, community organizers, DHCD Undersecretary and representatives from financial organizations. All of the speakers communicated the importance of preservation of affordable housing and/or expressed how proud they were to be part of the celebration. Harborlight Community Partners also offered a tour to showcase the newly renovated facility's state-of-the-art engineering and mechanic boiler room. Overall, through HUD's Low Income Tax Credit Pilot Program and partnership with other organizations, many tenants will continue to enjoy living at this affordable residential community.

Re-dedication of Elderly Housing

Multifamily staff recently attended the re-dedication ceremony of the Kings Grant/Essex Village in North Kingstown, RI. These projects are comprised of 265 units of affordable, elderly housing in North Kingstown.

The owners utilized the Section 542(c) Risk Sharing program in conjunction with low-income housing tax credits in the project redevelopment. Combined development costs totaled almost \$29 million.

Better Buildings Challenge

Beacon Communities is the latest owner/management company that has accepted the Better Building Challenge.

Beacon Communities is an experienced residential real estate developer that owns and manages over 70 communities throughout New England, Pennsylvania, Virginia and Maryland.

They have an excellent history of providing quality residential communities that serve a cross-section of society. This is the ninth owner/agent that has accepted the challenge in the Boston Hub.

The availability of HUD-insured mortgages for apartment complexes has been a significant factor in the production of additional units throughout the Richmond region and other parts of Virginia.

Either individually or together, the Colony Village developers, George Emerson and Phil Roper, have used HUD-insured loans to finance eight other Virginia apartment properties totaling almost 1,300 units. These apartment developments include: Chesterfield Gardens in Chester, Chester Village Green in Chester, American Tobacco Center in Richmond, White Oaks in Chester, Cedar Broad Apartments in Richmond, Festival Park in Chesterfield, Shafer Grace Apartments in Richmond which is under construction and Daleville Town Center in Daleville which is also under construction.

BALTIMORE**Meeting Market Needs**

“Urban chic meets suburbia.” That’s how Colony Village’s website describes their new apartment complex. Colony Village, is a Section 221(d)(4) property, located in Chesterfield County, VA. The Colony Village development is financed with an \$18.4 million HUD-insured loan and uses a neo-traditional design that is a mixture of residential and retail. There are 166 units -- one, two and three-bedroom units. Retail or work spaces are planned for the first floors of some of the buildings. Being located in a designated revitalization zone, the Jefferson Davis Corridor Enterprise Zone, the development is eligible for state and county incentives and has an application pending with the state housing agency, the Department of Housing and Community Development.

The units range in size from 615-1,132 sq. ft., with rents ranging from \$800 to \$1,400. Luxury amenities include designer kitchens, granite countertops, stainless steel appliances, slate entry way, tile bathrooms, a Yoga Studio, a Rejuvenation Room with tea bar, a mezzanine overlooking the community pool, a fire pit and valet door-to-door trash service.