



NORTHEAST MULTIFAMILY REGIONAL HOUSING NEWS



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Smoke-Free Guide

HUD has published, "Change is in the Air - An Action Guide for Establishing Smoke-Free Public Housing and Multifamily Properties." The Action Guide further educates PHAs and owners/agents of subsidized or market rate multifamily housing about the benefits of smoke-free policies and the recommended best practices to follow for implementing smoke-free policies.



It explains the many benefits to implementing a smoke-free policy for multifamily housing. A smoke-free policy will protect the health and safety of tenants as well as on-site employees of management agents in multifamily housing, reduce property maintenance and possibly reduce property insurance costs for the owners because of lessened fire risk.

Owners and agents of subsidized multifamily housing choosing to implement a voluntary smoke-free policy are encouraged to follow the recommended steps and best practices contained in the Action Guide and review Housing Notice H 2012-22, "Further Encouragement for O/As to Adopt Optional Smoke-free Housing Policies," for guidance in updating the house rules, policies and procedures in order to incorporate smoke-free housing requirements.

House rules with a smoke-free policy should include the following provisions:

- Current and prospective residents are allowed to smoke, just not in the areas that have been designated non-smoking, as determined by the property's smoke-free policy.
- Residents, guests and business visitors must comply with the smoke-free policy.
- A description of how the policy will be enforced (i.e., verbal warnings, written letters of violations, and termination of tenancy).

The Guide can be found at:

<http://portal.hud.gov/hudportal/HUD?src./program>

Housing Preservation News/Updates

Owners of Section 202 and 236 projects can now receive e-mails with news and information on events and training about how to maintain their property's affordability. A subscription to the New HUD Multifamily Housing Preservation Mailing List, can be made as follows:



1. Log onto <https://www.hudexchange.info/maillinglist/>.
2. Select the "Subscribe" button.
3. Complete profile information.
4. Under "I'd like to receive email updates about," select *Multifamily Housing Preservation*.



Open Enrollment– Health Care Coverage

This year's open enrollment period for healthcare coverage in 2015 under the Affordable Care Act, expires on February 15, 2015. We hope that you will join us in getting the word out to your tenants about the open enrollment period.



Encouraging enrollment in affordable healthcare coverage benefits property owners and tenants alike. Paying out-of-pocket for unexpected healthcare expenses is a major financial burden for many households, which can jeopardize tenants' ability to pay rent and other crucial expenses on time. Encouraging enrollment in affordable healthcare coverage can help tenants remain financially stable even if they have a family medical emergency. Having affordable health care coverage enables access to regular and preventative healthcare. Regular and preventative healthcare promotes general health and well-being, which can lead to fewer hospitalizations and health emergencies for parents and children, fewer missed days of work and school, as well as an overall higher quality of life.

To help tenants enroll, you are encouraged to: Develop a flyer informing tenants of www.HealthCare.gov, the Health Insurance Marketplace Call Center (1-800-318-2596), and key enrollment dates and post it on your bulletin board in the common area or distribute it in tenant mailboxes. (For printable or customizable fliers, visit the Marketplace web page); Allow tenants to use an office computer to sign up for healthcare coverage; Host a meeting with a local Healthcare.Gov navigator or Certified Assistance Counselor to give tenants an opportunity to learn more about enrolling (Visit <https://localhelp.healthcare.gov/> to find contact information for organizations that provide enrollment assistance); Include information about the open enrollment period in the tenant newsletter or email list; and Educate staff and resident coordinators about the rules and available resources so that they are ready to answer tenants' questions.

Some tenants may not realize they are eligible for subsidized healthcare coverage or that there are a variety of affordable plans to suit many budgets. They may not know that the open enrollment period is the only time in which most people will be able to sign up for new coverage (unless they qualify for Medicaid, or have a qualifying life event such as getting married or divorced, moving to a new state, or the birth of a child). We encour-

age you, as multifamily property owners and agents, to spread the word about the open enrollment period, and help your tenants build a healthier and more financially secure future.

Supportive Housing & Services- Proposed Rule

HUD has posted a proposed rule in the Federal Register, *Supportive Housing and Services for the Elderly and Persons with Disabilities:*



Implementing Statutory Reforms. This rule proposes to implement the following program reforms:

- Provide for grant assistance for applicants without sufficient capital, to prepare a housing site in order to compete for funding under the Section 202 and 811 programs.
- Revise the development cost limits for the Section 811 program; amend the requirements for project rental assistance to allow for adjustments upon renewal and for increases in emergency situations.
- Allow Section 811 owners to request the conversion of supportive housing units for very low-income persons with disabilities; offer voluntary services to persons with disabilities under Section 811.
- Allow Section 202 sponsors of projects to set aside a percentage of units for elderly individuals with functional limitations or other category of elderly persons, as defined in the notice of funding availability (NOFA), in order to better align the Section 202 program with Federal, state, and local health care initiatives that support very low-income elderly individuals and provide for enhanced project rental assistance contracts.

The benefits from this proposed change are primarily to tenants who are able to receive improved housing services and/or additional budgetary flexibility from the additional units developed as a result of the increased production.

We encourage you to comment on the proposed program changes, by January 15, 2015, at:

www.regulations.gov/#!documentDetail;D=HUD-2014-0088-0063

Passbook Savings Rate

HUD has updated the Passbook Savings Rate (PSR) to more accurately reflect interest currently being earned on assets.

The current rate, determined by HUD for imputing assets, of 2% is much higher than the national average of .06. By adjusting the rate, tenant income from assets will more accurately reflect what could be expected to be earned from savings. Adjustment of the rate to accurately reflect reasonably expected earnings ensures fair treatment to tenants in computing their rent contribution.



HUD Notice H2014-15, issued on October 31, 2014, provides the following guidance:

- Outlines the procedure for the release of the Passbook Savings Rate, which will be updated annually with a 90-day implementation period.
- Provides details regarding the methodology used to determine the Passbook Savings Rate. The Office will utilize data from the Federal Deposit Insurance Corporation, which publishes the national average of the Passbook Savings Rate on a weekly basis.
- Explains the scenarios in which tenants of Multifamily properties may request an interim recertification. As income derived from assets is considered income, any instance in which the change in the Passbook Savings Rate could effectively change a tenant's rent would qualify as a valid reason for requesting an interim recertification.
- Outlines scenarios in which the rate may need to be changed within the fiscal year. In cases where the national average of the Passbook Savings Rate changes more than 2%, the Office of Multifamily Housing may publish a new rate at which owners and management agents shall impute interest.

The rate will be effective February 1, 2015.

This notice will be advantageous to tenants by creating a better representation of a family's income due to the new rate being closer to the market interest rate being applied to a family's net assets. The methodology change will allow the rate to match current market conditions and better implement the regulation found at 24 CFR 5.609(b)(3).

The Notice can be found at: <http://portal.hud.gov/>

RAD Update

The Rental Assistance Demonstration (RAD) is gaining momentum. In FY 14, the Office of Recapitalization closed and converted approximately 5,200 units and an additional 8-10,000 units are expected to close by the end of this month. Given the Demonstration's growth, it is on track to close 15,000 units by the end of FY 15. (See page 4 of this newsletter for a detailed program description).



Over the past year, the Office of Recapitalization has received RAD applications for 125,000 additional units. This equates to about 690 projects. The applications have all been reviewed and conditionally approved waiting for Congress to increase the 60,000 unit cap to 185,000 units.

It is projected that 40% of the new RAD awards will seek FHA financing, with 70% choosing a Section 223(f) loan and half will have 4% LIHTC.

A Progress Report on RAD Evaluation is available at:

www.huduser.org/portal/RAD_Evaluation.html

Mold Remediation Tip

If you encounter a mold situation in your project, it must be remembered that the lowest remediation bid isn't always the best choice. There are many contractors who claim to be "experts" but will not be able to effectively resolve your problem.



You must be sure to look for contractor credentials from one of the following trade organizations: The American Indoor Air Quality Council, The Indoor Air Quality Association and The Institute of Inspection, Cleaning and Restoration Certification (IICRC).

For more information on mold basics, cleanup, prevention and remediation, see:

<http://www.epa.gov/mold/>

Management Fee Add-Ons

Headquarters has issued a clarification regarding the use of management add-on fees in conjunction with the Better Buildings Challenge (see the November 2014 issue of this newsletter).



Submissions by BBC multifamily partners will be treated as amendments to the management agent certification and not as new management agent certification requests. Therefore, the BBC multifamily Partner's management fee will not be reduced as a result of submitting a request to receive the BBC management add-on fee.

The amendment to the management certification should be recorded, as "*Management Certification Amendment- BBC Management Add-On Fees*" in the comments section under Management Fee Detail. The effective date of the management certification will be updated to reflect the amendment.

Choice Neighborhoods Funding

HUD has announced grants up to \$30 million, under the Choice Neighborhoods Implementation Program, to help local communities across the country to redevelop severely distressed public and HUD-assisted housing and transform surrounding neighborhoods. This funding is subject to increase if there is an FY 2015 appropriation.



The grants will help create jobs, increase economic activity, improve affordable housing, reduce violence and expand educational opportunities. Grantees and their partners use the funds as a catalyst- stimulating approximately \$7.50 in public and private investment for every \$1 in the Choice Neighborhoods funding. They will empower local communities to leverage public and private investment and achieve greater collective impact.

Choice Neighborhoods Implementation grants are available for public housing authorities, local governments, nonprofit organizations, tribal entities and for profit developers that apply jointly with a public entity to extend neighborhood transformation efforts beyond

public and/or assisted housing. The program helps communities transform neighborhoods by revitalizing severely distressed public and/or HUD-assisted multi-family housing and investing and leveraging investments in well-functioning services, high quality public schools and education programs, high quality early learning programs and services, public assets, public transportation and improved access to jobs.

Applicants must submit a completed electronic application through www.grants.gov by February 9, 2015. More information can be found at www.hud.gov/cn.

TRACS 202.d Implementation Schedule



The Tenant Rental Assistance Certification System (TRACS) has released TRACS 202.d Release. This new release will accommodate new and modified tenant certification processes that allow TRACS to verify tenant certification transactions and voucher payments consistent with the Improper Payments Elimination and Recovery Act (IPERA) and HUD 4350.3 Rev-1 Change 4.

The final TRACS 202.d specification documents have been posted to:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/trx/trxsum

The TRACS 202.d Release Implementation started on August 1, 2014 and will conclude on January 31, 2015.

Cost-of-Living Adjustment

Monthly Social Security and Supplemental Security Income (SSI) benefits for nearly 64 million Americans will increase 1.7% in 2015.

The 1.7% cost-of-living adjustment (COLA) will begin with benefits that more than 58 million Social Security beneficiaries receive in January 2015.

Increased payments to more than 8 million SSI beneficiaries will begin on December 31, 2014.



HUD Asset Portfolio

HUD has 10,669 FHA-insured projects in its portfolio with an unpaid principal balance (UPB) of \$69.5 billion and 18,455 non-insured projects (includes Section 202 and 811) with a UPB of \$1.2 billion.



The Northeast region has \$17.6 billion in UPB for 2,234 FHA-insured projects and 5,382 non-insured projects.

Sample Apartment Lighting

One often overlooked way to increase the appeal of a sample apartment is to have the right type of lighting. All rooms should have three types of lighting—general, ambient and accent.



A focal light fixture is especially important because it draws your gaze up and around the room. A local light fixture in the middle of the room ties the room together and will be a general light when you walk into a space.

To control space lighting, a dimmer switch is great to raise or dim the light to create different moods.

Be creative and watch how your sample apartment will impress prospective tenants.

Reopening of Waiting Lists

HUD has published Housing Notice H2014-16, dated November 28, 2014, as a recommendation to owners for re-opening of wait lists in response to concerns from disability advocates.



The option will allow owners more flexibility in the manner that they open wait lists and accept applications for tenancy. This policy addition, however, does not impact owners who wish to continue using their current wait list administration technique. This notice will be advantageous to individuals with disabilities who apply to a property participating in a HUD Multifamily Housing program where the owner has decided to implement this new lottery/random choice

technique when administering their wait list. The methodology change will also address an industry concern related to possible application disadvantages for persons with disabilities currently associated with a first-come, first-serve application process.

The notice can be found at:

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

What is RAD?

The Rental Assistance Demonstration (RAD) allows public housing agencies (PHAs)

HUD RAD Program



and owners of HUD-assisted properties to convert units to project-based Section 8 programs, providing an opportunity to invest billions into properties at risk of being lost from the nation's affordable housing inventory.

The first component of the program allows properties funded under the Public Housing program and Section 8 Mod Rehab to convert their assistance to long-term, project-based Section 8 contracts. The second component of RAD allows owners of projects funded under HUD's legacy programs (Rental Supplement, Rental Assistance Payment, and Moderate Rehabilitation) to convert units to Section 8 project-based vouchers.

The 1.2 million units in the Public Housing program have a documented capital needs backlog of nearly \$26 billion. As a result, the public housing inventory has been losing an average of 10,000 units annually through demolitions and dispositions. Meanwhile, the 38,000 units assisted under HUD's legacy programs are ineligible to renew their contracts on terms that favor modernization and long-term preservation.

The current conditions of many of these properties inhibit investment and recapitalization efforts in the communities with the most need. By drawing on an established industry of lenders, owners, and stakeholders, RAD allows PHAs and owners of HUD-assisted housing to preserve affordable housing units which would otherwise be subject to vouchers and demolition.

RAD creates greater funding certainty while allowing increased operational flexibility to empower PHAs and owners to serve their communities. As of August 2014, 58 RAD applications have closed, covering some 5,123 units and representing over \$150 million in new investment. PHAs have submitted over 1,000 applications covering close to 185,000 units.

NAHMA Scholarships

After receiving a record number of 2014 scholarship applications during the submission period earlier this year, the NAHMA Educational Foundation has announced the names of 67 scholarship recipients who will share an award of \$167,500. The individual award winners will receive \$2,500 for the upcoming school year.



The following 42 tenants from the Northeast Region's four AHMAs were recipients:

PENNDel AHMA (EASTERN PA & DE)

Interstate Realty Management (also winner of Encarnacion Loukatos Scholarship)- Dytiesha Sims and Kris Hilliard; Community Realty Management- Dana Andrews; Arbor Management- Islam Ekhwat; Community Realty Management- Debra London and Robin Walker.

JAHMA (NJ)

Interstate Realty Management- Margaret Brown; Princeton Community Housing- Jacquelynn Chmeil, Jonas Daniecki, Mary Ebong, Hiba Fatima Raza, Cindy Guzman, Vanessa Guzman and Christian Nazario; Community Housing- Phoebe Hanna; and MEND, Inc.- Roger Licai-rac.

MID-ATLANTIC AHMA (MD, DC, VA & WV)

Community Housing Partners- Alisha Prince and Tristen Stone; NDC Real Estate Management- Bertha Castaneda -Guzman; Preservation Management- Rickey Davis; Fairfax County Department of Housing- Herve Iradukunda; WinnResidential- Derek Litvak; and Edgewood Management Corporation- Michael McKethan-Johnson.

NEAHMA (MA, CT, NH, RI, VT & ME)

SHP Management- Sydney Anzellotti, and Yesung Shin; WinnResidential- Andres Brito, Yi Lin Chen, Jiamin Huang, Terry Voong, and Jenny Trinh; Maloney Properties- Louisiana Chifrina and Michael Fedorouk; First Realty Management- Pascal Delpe-Brice, Rebecca Eugene, James Treault, and Juxhin, Xhuxha; The Schochet Companies- Heena Gulam; Federal Management Company- Sharon Hatstat; Peabody Properties- Mefferd Mazurowski, Mejia Reina; Community Builders- Kevin Walsh; and POAH- Terry Woolard.

NAHMA Educational Foundation

Congratulations to the PennDel AHMA for receiving NAHMA's Outstanding Support Award for raising \$25,000 for NAHMA's Educational Foundation. With this donation, the AHMA is once again in NAHMA'S Legacy Circle for 2014.

Outstanding Projects

We would like to commend the following owners and management agents in the Northeast Region for operating their projects at exceptional levels in 2014:

Superior Management Review Ratings

TWO PROJECTS: Nat. Church Resi.; ONE PROJECT: Appleton Corp., Atria Mgmt., Christopher Comm., Hsng. Mgmt. Serv., Maloney Prop., Monadnock Affordable Hsng., People, Related Mgmt., Stewart Prop. Mgmt., Tenants Dev. Corp., Affordable Hsng. Mgmt., and Winn Mgmt.

REAC Inspections Scores 98-100

FOUR PROJECTS: Island Elderly Hsng.; THREE PROJECTS: Christopher Comm., Edgewood Mgmt., Ferland, IRM, SNHS Mgmt., and VOA N. New England; TWO PROJECTS: AHERA Affordable Hsng., AHI Dev., Assoc. Catholic Charities, Carr Prop. Mgmt., Elderly Hsng. Dev., Habitat America, Improved Dwellings Altoona, Main St. Realty, Maloney Prop., and Shinda Mgmt., Comm. Builders; ONE PROJECT: AIDS Care Ocean State, Assoc. for Retarded CIT, Beacon Res. Mgmt., Bethesda House Mgmt., Capital District YMCA, Catholic Senior Hsng., Chesterfield Alternatives, Comm. Hsng. Resource Board Bergen, Comm. Action Clearfield, Comm. Enterprises, Comm. Living, Comm. Prop. Mgmt., Corcoran Mgmt., Crotched Mountain, Delta Dev. WNY, DEVELOPAC, East Bay Mental Health, Elderly Hsng. Mgmt., Erie Hsng. Mgmt., Federation Hsng., First NJ Asset Mgmt., First Realty Mgmt., Frances Schervier Home, Gateway Healthcare, Hebrew Rehab., HH Hunt Prop. Mgmt., Holy Redeemer Health System, Hsng. and Health Services, Hsng. Dev. Midatlantic, Hsng. Opport., HRCA Senior Hsng., Jamestown HA, JMD/Einsidler Mgmt., LaBrecque Prop. Mgmt., Lutheran Senior Serv. Dover, Lutheran Social Serv. S. Region, Martino RE, MF Mgmt. Phila., National Church Residences Stamford, NY Assoc. Retarded Children, People, PRD Mgmt., Preserv. Hsng. Mgmt., Prev. Mgmt., Progress Peoples Mgmt., Ridge Oak Mgmt., Rockland NYS ARC, Shelter Prop., SHP Mgmt., Spotswood Reformed Church, Springford Senior Liv., St. Anthony's, Stanan Mgmt., Stewart Prop. Mgmt., T.U.C. Mgmt., Lutheran Serv. W. PA, Providence Center, Salvation Army NY, Trip Realty, United Pejepsco Hsng., Vista Capital, Wesley Hsng., and Winn Managed Prop.

Community Solutions & Zero: 2016

Community Solutions, a national non-profit dedicated to helping communities solve the complex social problems facing their most vulnerable residents, has embarked on Zero: 2016, a rigorous follow-up to the organization's successful 100,000 Homes Campaign designed to help a select group of communities end chronic and veteran homelessness in the next two years.



The organization said it would work intensively with communities to meet the federal goals set by President Obama to end veteran homelessness by Dec. 2015 and chronic homelessness by Dec. 2016. Zero: 2016 will formally launch in January 2015, when the majority of communities participating say they will walk their streets block-by-block to survey each of their homeless neighbors during the national 2015 Homeless Point-in-Time Count. Communities will use this information to develop files on each person experiencing homelessness on their streets. This strategy will help communities to connect people to available subsidies and appropriate housing options as quickly as possible.

Sixty-seven participating communities will seek to accelerate their housing efforts through four key areas of work: closing the research-to-practice gap, real-time data and performance management, local systems redesign and local leadership development. Community Solutions will provide hands-on coaching and data tools, and will curate a national peer-to-peer learning network to accelerate innovation across communities.

"Chronic and Veteran homelessness are urgent, solvable problems," stated Beth Sandor, Director of Zero: 2016 for Community Solutions. "These communities represent a potential tipping point. If they can show that getting to zero is possible, we think it will become untenable for other communities not to follow suit. Zero: 2016 is about bringing shared accountability to this work. Participants are the 67 communities representing 30 states and the District of Columbia. Among them are 51 communities who also participated in the 100,000 Homes Campaign and 16 new communities. Combined, the group represents the joint, public commitment of 234 housing authorities, local government entities, non-profit organizations and community agencies. Five states (West Virginia, Connecticut, New Mexico, Rhode Island, and Utah) were selected to participate as full states.

The selected communities in the Northeast Region are: Connecticut, Rhode Island, West Virginia, District of

Columbia, Massachusetts (Cape Cod/Islands CoC, Springfield/Chicopee/Holyoke/Westfield/Hampden County CoC), Maryland (Montgomery County CoC), New Jersey (Bergen County CoC), Pennsylvania (Lancaster City & County CoC), Virginia (Richmond/Henrico, Chesterfield, Hanover Counties CoC, Roanoke City & County/Salem CoC, Portsmouth CoC, and Arlington County CoC).

Effect of Housing Conditions on Children

The fall 2014 issue of *Evidence Matters: Transforming Knowledge Into Housing and Community Development Policy*, focused on the effects of housing and neighborhood on children's life outcomes.



It surveys the evidence concerning the connections between various housing and neighborhood characteristics and a range of outcomes including physical and mental health, emotional welfare, educational achievement and economic opportunity. It examines research on a prominent place-based initiative to improve conditions for children living in low-income communities and profiles a number of organizations working to promote healthy homes and housing stability for children.

The study can be read in its entirety at:

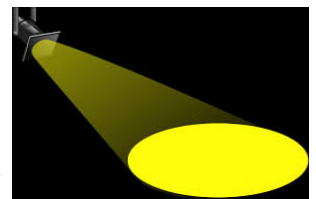
www.huduser.org/portal/periodicals/em/fall14/highlight1.html

Production Statistics

For the months of October and November 2014, HUD insured 138 loans, totaling \$1.30 billion. Of this total, 23% (32) were tax credit loans. The average loan size for all loans was \$9.49 million. The average loan size for the tax credit jobs was \$8.133 million.

Spotlight on Your Project

If you have an interesting story about one of your projects and would like to have it featured in a future issue of *Northeast Multifamily Regional Housing News*, please send a brief write-up (in Word format) to: thomas.langston@hud.gov



“Around the Hubs”**PHILADELPHIA****Safe Cleaning Techniques for Home and Health**

Tenants in Delaware can learn how to clean their units safely to avoid triggering asthma attacks. It is a known fact that asthma is the most common chronic condition among children. The Nemours Foundation, HUD, the Delaware Division of Public Health and the Delaware State Housing Authority (DSHA) are partnering to build awareness about asthma triggers and safe cleaning techniques and pest management. The Nemours Foundation is working with public housing residents across the State through a \$4 million federal grant to reduce the incidences of asthma attacks in children.

DSHA residents will learn the benefits of using white vinegar, hydrogen peroxide and other non-traditional cleaners. Once they complete the training, each resident will get a free basket of safe cleaning products so they can take what they learned and use it. The goal for Nemours is to reduce emergency room visits of children with asthma by 50 percent.

HUD's Office of Healthy Homes and Lead Hazard Control Program (HHLHCP) and the Delaware Division of Public Health both have Healthy Homes Initiatives to protect children and their families from housing-related health and safety hazards. Their web sites are as follows:

<http://dhss.delaware.gov/dhss/dph/hsp/healthyhomes.html>

http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes

Coping with Disasters

An Associated Press-NORC Center for Public Affairs Research survey suggests that “social resilience” may be more valuable in a crisis, like Superstorm Sandy, than government.

The survey polled more than 1,000 residents in a dozen communities hit by the 2012 hurricane in New York and New Jersey. It found that, regardless of income, residents in areas where people say their neighbors actively

seek to fix problems in the neighborhood are three times more likely to say their community is extremely or very prepared for a disaster, than people in communities without such social resilience.

Likewise, 37% of residents in areas reporting high levels of neighbors helping each other are very or extremely confident their neighborhood would recover quickly from a disaster, compared to 22% in areas with lower levels of neighborly cooperation. The survey also showed residents rely more on neighbors than government. Sixty-nine percent of respondents said they got help from neighbors in recovering from the storm, while 57% said local government assisted them and 55% cited federal government agencies as helpful.

Experts say fostering that type of bottoms-up help is just as crucial as addressing infrastructure needs and policy makers should take heed. For example, in Hoboken, NJ, where the survey revealed high community trust levels, government officials and residents are focusing on ways to foster social resilience. The city is launching a pilot program in a public housing development that will designate floor captains on each level to collect information on who is staying during a storm and what medical needs they may have. If successful, Hoboken's budget includes \$25,000 to expand the program to public and senior housing throughout the city.

Hoboken resident Steve Peloquin, who works as a motion picture studio mechanic, has crafted another proposal to model rapid response based on how movie crews move in and out of areas. His job routinely entails setting up power, arranging for food and other amenities for crew members, and those same needs can arise during a disaster.

In West Islip on New York's Long Island, a health insurance executive, Sandra Galian, used her contacts as part of a civic association and created an e-mail chain to share information and provide updates on Sandy recovery resources.

The poll concluded that creating such cohesion does not have to be expensive. The use of existing networks, such as community groups, civic associations and religious authorities, is a smart way to build and strengthen social resources.

Secretary Castro Visits Newark Field Office

Secretary Castro visited the Newark Field Office on October 29, as part of an emotional two-day visit commemorating the anniversary of Hurricane Sandy, which devastated the New York and New Jersey coasts in October, 2012, causing over \$60 billion in damages and 182 deaths.

BOSTON



“Cradles to Crayons”

A team of 15 employees from the Boston Regional Office, which included two Senior Project Managers, Elaine Ormond and Nancy Gentile, volunteered their time at Cradles to Crayons in Brighton, a local non-profit organization that provides children from birth through age 12, living in homeless or low-income situations, with essential items such as clothing.

The volunteers spent a couple of hours sorting through donated items to assemble and packaging clothing and accessories for both boys and girls of various ages. In total, the HUD team assembled 75 outfit packages that will provide children with a week’s worth of clothing.

RAD Conversion

Mission Towers recently completed a Rental Assistance Demonstration (RAD) conversion, preserving the affordability and recapitalizing the physical and financial health of a 117-unit rental property in the downtown neighborhood of Haverhill, MA. Under “Component 2” of RAD, properties with expiring Rent Supplement or Rental Assistance Program contracts are able to convert previously-assisted units, mobile vouchers, and other income-eligible units to a project-based assistance contract.

Mission Towers was originally built in 1972 and has been providing affordable housing to low-income seniors for more than 40 years. The 117-unit property included 30 expiring Rent Supplement units and a Section 236 mortgage maturity in March 2014. Through the RAD process, Bethany Community Services (the project sponsor) was able to project-base 113 of 117 units and preserve the affordability for an additional 15 years. Additionally, several tenants received rent reductions under the expanded project-based assistance.

The project is pursuing a refinance under the Section 223(f) program, and with loan proceeds leveraged by the increased rent revenue of the 15-year HAP contract.

Hartford’s Main Street Building

777 Main Street is being redeveloped into the largest downtown Hartford, CT apartment complex and one of the greenest and most innovative HUD Section 221(d)(4) financed projects in the Northeast. The glass-covered office building, listed on the National Register of Historic Places, was designed by Welton Becket, a mid-20th century Los Angeles architect whose portfolio also includes the Los Angeles Performing Arts Center, Capital Records Building in Hollywood and the Beverly Hilton Hotel.

The planned 285-unit high-rise will contain a mix of market and affordable apartments, including 20% of units affordable to households at 50% of Area Median Income (AMI). The 26th floor is designed for a multi-function common use including a club room, large flat screen TV, billiards table, conference table and 24-hour fitness center. The building will include a 250-car parking garage and six ground floor retail shops. The complex will be powered and heated by a 400kw fuel cell providing grid-independent operations. The fuel cell installed will increase efficiency with heating/cooling, hot water and electricity usage. This is one of the first FHA-insured projects in the nation to be underwritten with renewable energy credits, specifically, a 15-year Low-Emission Renewal Energy Credit contract for fuel cell electric output, as well as one of the first Net Zero Energy multifamily housing financed by HUD.

It is also the largest project financed by the Capital Region Development Authority (CRDA), a new agency established by Governor Dannel Malloy to revitalize downtown Hartford. In addition to funding from CRDA and the Connecticut Department of Housing, the project’s financing includes state and federal historic tax credits and a \$37 million FHA-insured 40-year first mortgage.

Completion is targeted for July 2015.

Boston Employees Help Homeless Veterans

Employees in the Boston Regional Office, including Pam Graham of Multifamily Housing, paid tribute to veterans with a Combined Federal Campaign fundraiser “Red, White and Blue Jeans” day to raise money for the New England Center for Homeless Veterans.

BALTIMORE



Kudos to the Baltimore Team

The Baltimore Multifamily Hub did an outstanding job in delivering its programs and services in Fiscal Year 2014. It issued a total of 65 Firm Commitments totaling over \$1 billion and 11,218 units. This included approximately 3,300 units of low income housing tax credit units, which provided much needed affordable housing to its jurisdiction.

It also completed its first full year of Sustaining Our Investment (SOI), which is a new way of determining which projects in its portfolio are the riskiest and giving them the proper oversight. To do this, staff had to risk-rank 1,500 properties in the portfolio. After rating them, they had to establish a plan to mitigate the risks in at least 25% of them. Through the diligent work of the Asset Management team, who had to negotiate with owners and agents to create plans, it was able to exceed FY 14 management plan goals.

Hub Director Retirement

Mary Ann Henderson, Baltimore Multifamily Hub Director for the past 15 years, retired on October 3, 2014. The Baltimore Multifamily Hub oversees the delivery of FHA multifamily housing programs for Maryland, the District of Columbia and Virginia. During Ms. Henderson's tenure, the Baltimore Hub managed a portfolio of more than \$6 billion in FHA insured mortgages and has consistently been one of the highest producers of FHA mortgage insurance in the country.

Other Staff Changes

New: Stephen Sprecher, Senior Underwriter; and Stephen Gray, Construction Analyst.
Departures: Margaret Burley, Program Assistant (Transfer); Sandra Davis, Project Manager (Retired); and Joseph Baum, a Senior Project Manager (Retired).

Secretary Castro Visit

On October 17, Secretary Julian Castro visited the Baltimore Field Office. It was an honor for the office that Secretary Castro allotted time to meet with staff, prior to his appearance at the Affordable Housing Conference at the Baltimore Convention Center.

After congratulating the Orioles on their playoff run, he noted the loss of HUD staff across the nation, and specifically in Baltimore. He acknowledged that this created extra work for staff and shared his appreciation for the hard work and dedication that he saw when visiting field offices around the country. He congratulated everyone on the important work that the remaining staff was accomplishing. Secretary Castro briefly commented on the Multifamily Transformation, reassuring staff that it was progressing smoothly. Baltimore represents the ninth Field Office that the Secretary visited in his first ninety days on the job.

Secretary Castro at NAHRO Conference

HUD Secretary Julián Castro laid out his vision and shared his optimism for a productive remainder of his term as HUD Secretary as he addressed an audience of more than 1,200 affordable housing and community development experts and advocates at the NAHRO National Conference and Exhibition in Baltimore, on Oct. 17.

He remarked that "HUD is the Department of Opportunity, and our collaboration with NAHRO's membership will help improve the lives of public housing residents across the nation...Together, we can make housing a platform that connects folks to the education, jobs and other opportunities they need to lift them up and better their lives."

In his short time as HUD Secretary, he has announced the second Promise Zone competition, awarded \$75 million to help low-income residents receive job training and employment, and awarded 22 housing authorities \$4.2 million in Project-Based HUD-VASH funds.

Affordable Housing Report

An increasing number of Maryland households are putting off homeownership and choosing to rent, according to a special report on affordable rental housing, *Maryland Housing*, published by the MD Dept. of Housing and Community Development (DHCD). The report provides a detailed statistical analysis of the state's housing market documents the factors driving up the demand for affordable rental housing and how the state has helped finance the record production of new and preserved affordable housing. It also discusses how its use of leveraging federal and private sources has enabled it to add significantly to the state's economy.

The report can be downloaded at:

www.mdhousing.org/website/documents/MarylandHousing/Maryland_Housing_Newsletter.pdf

MAHC Event

Baltimore Field Office leadership attended the Maryland Affordable Housing Coalition (MAHC) annual conference on October 27.

The MAHC is one of Maryland's premier advocacy organizations for affordable rental housing. It is largely a volunteer organization, consisting of a diverse group of 160 member organizations, including non-profit and for-profit developers, community action groups, state and local housing authorities, property management companies, financial institutions, community development organizations, contractors, investors, consultants and individuals who wish to advocate for affordable rental housing.

This year's Housing Leadership Award went to Michael E. Bush, Speaker of the House, Maryland House of Delegates, in recognition of his outstanding leadership and support of affordable rental housing in Maryland. As Speaker of the House and the representative of District 30, he has led Maryland to becoming one of the most progressive states in the nation in support of affordable rental housing.

Glenarden Apartments Demolition

The District of Columbia Field Office Director, Marvin Turner and Acting Baltimore Multifamily Hub Director, Brenda Brown, attended the demolition event for the Glenarden Apartments Section I & II on October 28, 2014.

The project, located in Prince George's County, Maryland was a 49-building, 578-unit apartment complex where the Department relocated the residents little over a year ago due to their poor physical condition. The 27-acre site, which was purchased in September 2014 by the Redevelopment Authority of Prince George's County, will be redeveloped into a mix of affordable senior apartments, family apartments and townhouses, as well as 25,000 feet of commercial and retail space.

RAD Spotlight on Montgomery County

The Housing Opportunities Commission (HOC), the public housing agency for Montgomery County, MD, is converting its entire public housing stock to long-term Section 8 assistance under HUD's Rental Assistance Demonstration (RAD). HOC has struggled with the long-term economic viability of an aging public housing stock that, if lost, would be nearly impossible to replace given the high cost of housing in Montgomery County. The average rent for a 2-bedroom unit in the county is about \$2,000/month and the median sale price for a single-family home is \$432,000. Preservation of affordable housing, therefore, is a major concern. To preserve access to affordable

housing, HOC needed a way to leverage the value of its current assets- namely, the value of its land, which has increased substantially over the last several decades. When the RAD conversion is complete, the agency will preserve 877 public housing units (converted to Section 8 project-based assistance) and will have developed about twice that number of new affordable and market units.

NEW YORK



DEC Recovery

The New York Departmental Enforcement Center (DEC) has recovered \$1,098,323 in unauthorized loans from the owners of St. John's Health Care Corporation, a not-for-profit 455-bed nursing facility, and St. John's Home for the Aging (Meadows), a 294-unit assisted living facility, located in Rochester, NY. The unauthorized loans were made to affiliates.

Top 10 Safest City

Amherst, NY, with a population of 118,296 was cited by Wallstreet 24/7 as being one of the 10 safest cities in the U.S.

After falling between 2010 and 2012, the violent crime rate in Amherst increased in 2013- from 75 reported incidents per 100,000 residents in 2012 to 90 per 100,000 residents last year.

Despite the increase, the city, located just outside of Buffalo, is still quite safe. There was only one murder recorded in Amherst last year, and property crimes were also very rare. There were 27 motor vehicle thefts per 100,000 people in Amherst last year, lower than in every city except for Naperville, Illinois. Burglary was also extremely uncommon in the area. Just 172 burglaries were reported per 100,000 residents last year, the fourth lowest rate among large U.S. cities and substantially lower than the national rate of 610 burglaries per 100,000 Americans.