



NORTHEAST MULTIFAMILY HOUSING REGIONAL NEWS



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Inside this Issue:

Section 202 Preservation.....Pg. 1	Pg. 1
PRAC Shared Savings.....Pg. 1	Pg. 1
Combining Section 8 Contracts.....Pg. 2	Pg. 2
Management Add-on Fees.....Pg. 2	Pg. 2
FHA Commissioner Transition.....Pg. 2	Pg. 2
FHA Initial Endorsements.....Pg. 3	Pg. 3
HUD Seal.....Pg. 3	Pg. 3
FY 15 Fair Market Rents.....Pg. 3	Pg. 3
Assisted Living Conversion Awards.....Pg. 3	Pg. 3
Service Coordinator Awards.....Pg. 3	Pg. 3
DEC Success.....Pg. 4	Pg. 4
HUD Program Analysis.....Pg. 4	Pg. 4
Disposal of Unused Medicines.....Pg. 5	Pg. 5
Lessons from Hurricane Sandy.....Pg. 5	Pg. 5
Service Animals.....Pg. 6	Pg. 6
Fast Housing Facts.....Pg. 6	Pg. 6
Evolution of Affordable Housing.....Pg. 6	Pg. 6
Second Qtr. Market Conditions.....Pg. 6	Pg. 6
Emergency Call Systems.....Pg. 6	Pg. 6
“Around the Hubs”.....PP. 7-10	PP. 7-10



Section 202 Preservation

HUD is in the process of contacting owners of Section 202 projects whose mortgages are scheduled to mature within the coming months. In order to ensure that these projects continue to meet the affordable rental housing needs of their senior residents, certain steps must be taken before the mortgage maturity date to “preserve” them as affordable senior housing resources.



Owners are encouraged to email HUD at Section202@hud.gov as soon as possible to request information about preserving the affordability of their Section 202 projects. In cases where a mortgage is scheduled to mature in six months or less, HUD staff will likely discuss the possible issuance of Tenant Protection Vouchers to senior tenants upon mortgage maturity. In cases where a mortgage is scheduled to mature later than six months, HUD staff may also discuss additional preservation options, including the prepayment of the mortgage.

In the meantime, owners are also encouraged to subscribe to the HUD Multifamily Preservation listserv. As listserv subscribers they will receive e-mails about news, events, and tools designed to assist them in determining what, if any, actions they might want to take in order to “preserve” the affordability of their projects for years to come.

Here are the steps to register for the listserv:

- Log onto- [https://www.hud exchange.info/maillinglist/](https://www.hudexchange.info/maillinglist/)
- Select the “Subscribe” button
- Complete the relevant information
- Under “I’d like to receive email updates about,” select Multifamily Housing Preservation

PRAC Shared Savings

HUD has established a PRAC Shared Savings Incentive for Better Buildings Challenge (BBC) multifamily partners to help owners access funds to support the cost of energy and water efficiency improvements. Participation in this incentive is limited to PRAC properties that are part of an identified BBC multifamily partner’s portfolio.

Due to underlying program regulations, PRAC properties are not designed to take on debt in order to support capital improvements of any kind, which may include energy and water reducing-related improvements. This incentive will provide PRAC properties with the opportunity to make energy and water improvements within the confines of the current regulations.

For applicable PRAC properties that are part of a BBC Multifamily Partner’s portfolio, owner/management agents will be permitted to capture 100% of their previous year’s averted energy and water cost on the Fuel Oil/Coal budget line (Acct. No. 6420) of Form HUD-92547-A. Any fuel oil/coal costs should be added to the Gas budget line item (Acct. No. 6452).

Combining Section 8 Contracts

Section 8 Housing Assistance Payments Contracts (HAPs) may now be combined by mutual agreement between the project owner and HUD. If approved, the units and budget authority will be rolled into the surviving contract which will then be renewed for a 20-year term.



The benefits of combining HAP contracts and stages are as follows:

- Lowered administrative costs.
- Reduced oversight (i.e., one Management and Occupancy Review (MOR), one audited financial statement, etc.).
- Potential to share reserves and facilitate a better capitalized property assisting a struggling property.
- Superior debt and equity terms and pricing.

The memo includes all of the conditions for combining contracts, criteria for combining both like and unlike contracts, examples, and instructions for Hub Directors (since approvals will now be done in the field). See:

http://portal.hud.gov/hudportal/documents/huddoc?id=Sec8_Housing_Assis_Pay_Cnt.pdf

Instructions for combining contracts and realigning units in TRACS can be found in the iCon User's Manual at:

<http://hudatwork.hud.gov/po/h/hm/tracs/iug/tracsiconug20.pdf>

Management Fee Add-ons



Revised guidance has been issued regarding allowable management add-on fees that can be approved for the Better Buildings Challenge

(BBC). The goal is to provide a financial incentive to facilitate the reduction of energy and water usage in multifamily housing and support participation in the program.

HUD MF has established the Management Add-on Fee incentive to address one of the market and policy barriers that owners/agents experience in "greening" their properties. Participation in this incentive is limited to BBC-eligible MF properties only. This guidance does not

modify or replace current HUD MF Management Fee policy for non-BBC participants.

The management add-on fee incentive will help owners/agents pay for the additional cost of best practices in energy and water management, including practices related to operations and management, tenant engagement, data collection and benchmarking. Given the BBC requirement for data reporting, this incentive will also help alleviate some of the cost barriers associated with participating in the BBC.

We believe that this incentive will both encourage owners/agents to participate in the BBC and ease the financial barriers that they face in incorporating energy management best practices into their standard building operations and making energy improvements to their properties as needed.

Since BBC has started, over 85 multifamily partners have joined the challenge and have committed to reducing energy and water waste across their entire portfolio by 20% within the next 10 years. That represents roughly 380 million square feet across nearly 370,000 homes!

Overall, when you include commercial partners, like General Motors Hilton Worldwide and MGM Resorts International, over a billion of square feet of building space is part of the BBC Challenge. This will save \$100 million this year alone!

The revised memo can be found at:

http://portal.hud.gov/hudportal/documents/huddoc?id=BBC_revision.pdf

In addition, a complete list of BBC multifamily participants can be found at:

<https://www4.eere.energy.gov/challenge/partners/multifamily>

FHA Commissioner Transition



Carol Galante resigned as Assistant Secretary for Housing/FHA Commissioner on October 24, 2014. Biniam Gebre, General Deputy Assistant Secretary for the Office of Housing, will lead the Office of Housing and FHA as Acting Assistant Secretary.

We thank Ms. Galante for her leadership of Housing over the past 20 months and wish her much success in her new ventures.

FHA Initial Endorsements

Since 2010, nationally, multifamily FHA initial endorsements have trended sharply upward with a high in FY 2013 of \$17.7 billion in mortgage insurance.

Here are the endorsements (in billions) since FY 2001:

- 2001- \$3.05
- 2002- \$4.17
- 2003- \$4.98
- 2004- \$5.06
- 2005- \$3.64
- 2006- \$3.37
- 2007- \$2.67
- 2008- \$2.15 (Low)
- 2009- \$3.08
- 2010- \$10.30
- 2011- \$13.80
- 2012- \$12.30
- 2013- \$17.70 (High)
- 2014 (through 7/31/14)- \$7.89



As of April 2014, the number of applications in the pipeline and their average size was:

New Const./Sub. Rehab.– 220; \$16.1 million.
Section 223(f)- 414; \$9.5 million.
Section 223(a)(7)- 63; \$8.4 million.
Total– 697

HUD Seal

Did you know that the official HUD seal is the legal symbol of the U.S. Department of Housing and Urban Development?

It is used for all formal, official situations to authenticate the official nature of letters, memoranda, publications and other communications and cannot be modified for branding or marketing purposes.



FY 15 Fair Market Rents

The FY2015 Fair Market Rents (FMRs), announced in the October 3, 2014 Federal Register, can be found at:

www.huduser.org/portal/datasets/fmr/fmrs/docsys.html&data=fmr15

Assisted Living Conversion Awards

HUD has awarded \$17 million in grants to the owners of multifamily housing developments in six states to convert some or all of their apartments into assisted living or service-enriched environments for elderly residents.



The award winners in the new Northeast Region are N.M. Carroll, Inc. (MD)- \$2,464,428 and Horace Bushnell Congregate Homes (Conn.)- 41,181,464.

HUD's Assisted Living Conversion Program grants provide private, nonprofit owners of eligible developments with resources to convert some or all of the dwelling units in the project into an Assisted Living Facility (ALF) or Service-Enriched Housing (SEH) for elderly residents aging in place. Licensed and regulated by the State or local community, ALFs are designed to accommodate frail elderly and people with disabilities who can live independently but need assistance with activities of daily living (e.g., assistance with eating, bathing, grooming, dressing and home management activities). They provide support services such as personal care, transportation, meals, housekeeping and laundry.

Service Coordinator Awards

HUD has awarded \$7.5 million in Service Coordinator grants to help thousands of senior citizens and persons with disabilities to receive health care, meals and other critical supportive services.



The award winners were: Kearsage Place (PA)- \$104,000, Vista South (PA)- \$196,080, Honeoye Haven (PA)- \$142,174, Irvington Seniors Apts. (NJ)- \$263,070, Cathedral Square Housing (NJ)- \$193,422, South Village I (NJ)- \$321,234, South Village II (NJ)- \$306,961, Paul A. Westerberg Tower (NY)- \$142,634, New River House (VA)- \$150,133, Trolinger House (VA)- \$150,133, Paula Maria III (VA)- \$218,907, Harbour Square (VA)- \$228,877, Douglas House (MA)- \$228,534 and Pratt Homes (NH)- \$113,313.

The grants are designed for an initial three-year period to allow eligible owners of multifamily housing for the elderly or disabled, to hire and support a service coordinator. The funds cover such costs as salary, benefits, quality assurance, training, office space, equipment and other related administrative expenses.

DEC Success

The New York Departmental Enforcement Center (DEC) team recently celebrated their most recent success in protecting public funds. As of today, the DEC broke the \$140 million mark in financial restitution since its inception.



Established in 1998 and housed in the Office of the General Counsel, the DEC is responsible for preventing waste, fraud and abuse, as well as ensuring that over 20,000 owners of HUD-insured and assisted properties nationwide provide their residents with clean, safe and sanitary housing. DEC's insured portfolio covering multifamily housing and nursing homes is valued at \$106 billion, which is more than the value of the NY Yankees, Mets, Knicks, Giants, Jets and Rangers combined!

"It is a difficult mission that requires both diplomacy and strong-arm tactics, especially in dealing with non-compliant owners who are violating HUD statutes and regulations," said Paul Aprigliano, New York DEC Director. "To accomplish our mission, we rely on a very sophisticated automated monitoring system and the Real Estate Assessment Center (REAC), along with a group of dedicated employees in multifamily housing, the Office of Healthcare Programs (OHP), and the assisted housing industry."

The five DEC Satellite Offices, across the country annually, review thousands of financial and physical referrals from REAC. This painstaking work has resulted in one of the most successful preventive operations ever. If irregularities are found, the DEC contacts the owner to remind them of their contractual obligations.

As an example, one of the New York DEC's first success stories was with an owner of a HUD-insured property who made an unauthorized distribution of \$500,000 to build an Italian restaurant. When the DEC reminded him that the regulatory agreement he signed did not permit this type of activity and tactfully demanded repayment, the owner promptly returned all the funds to the project.

The DEC recognizes that protecting public funds is exacting and detailed work, and by regularly and carefully reviewing its portfolio, it has been successful in recovering over \$300 million nationwide that has been returned to the properties to make capital improvements

or improve day-to-day operations. This has resulted in both protecting HUD's assets and, more importantly, providing the most vulnerable citizens with decent, safe, and affordable housing.

To understand the DEC's importance, prior to its establishment the average REAC score was around 40 out of a maximum score of 100 (60 is passing). This low score indicated that residents were living in terrible conditions. Now, thanks to DEC's vigilance, the average REAC score last year was 83 and has improved to 84 this year. Additionally, before the birth of the DEC, the multifamily portfolio had a default rate of 6% in 1998. DEC can now report that as of 2013, the default rate dropped to less than 1%. Happily, the same scenario also occurred for HUD's nursing home portfolio which had a default rate of 1% in 2013 compared to 10 ½% in 1998.

The DEC measures its success not only by the dollars it has saved the American taxpayer, but also by the hundreds of thousands of individuals and families who now live in clean, affordable and safe multifamily housing across America. The DEC has no higher priority than protecting our residents and safeguarding public funds. Its motto says it all: "Working together, we can improve the lives of our residents and strengthen communities, one block at a time."

HUD Program Analysis

In order to increase the effectiveness of critical federal housing programs, HUD is using data analysis to track performance, identify problems and make needed changes.



The analysis is performed using HUDStat, a performance system that compiles and analyzes data in clear, concise ways to make it easier to understand the outcomes of federal housing programs. It was launched in October 2010 and allows senior management to assess programs and management challenges, find strong and weak performances, understand trends, share best practices and solve problems.

Several examples of the use of HUDStat data were the tracking of \$13.6 billion in HUD economic stimulus funding in 2009 and \$50 billion in Hurricane Sandy disaster relief money in 2012.

Currently, HUDStat is being used to improve the effectiveness of finding housing for homeless veterans and efforts to prevent foreclosures, monitor residential vacancy rates in hard-hit regions and identify target areas for the Neighborhood Stabilization Program.

Disposal of Unused Medicines

Tenants, especially the elderly, should be cautioned about the proper disposal of unused medicines. Although most drugs can be thrown in the household trash, consumers should take certain precautions before tossing them out, according to the Food and Drug Administration (FDA). Inhalers and aerosol products, for example, may be thrown into household trash or recyclables, or may be considered hazardous waste and require special handling. A few drugs may be flushed down the toilet. However, powerful narcotic pain relievers and other controlled substances carry instructions for flushing to reduce the danger of unintentional use or overdose and illegal abuse.



The FDA has worked with the White House Office of National Drug Control Policy (ONDCP) to develop the first consumer guidance for proper disposal of prescription drugs. The federal guidelines are summarized as follows:

- Follow any specific disposal instructions on the drug label or patient information that accompanies the medication. Do not flush prescription drugs down the toilet unless this information specifically instructs you to do so.
- Take advantage of community drug take-back programs that allow the public to bring unused drugs to a central location for safe disposal. Call your city or county government's household trash and recycling service (see blue pages in telephone book) to see if a take-back program is available in your community. The DEA, working with state and local law enforcement agencies, is sponsoring National Prescription Drug Take Back Days (www.dea diversion.usdoj.gov) throughout the United States.
- If no instructions are given on the drug label and no take-back program is available in your area, throw the drugs in the household trash. They should first be taken out of their original containers and mixed with an undesirable substance, such as used coffee grounds or kitty litter. The medication will be less appealing to children and pets, and unrecognizable to people who may intentionally go through your trash. Also, they should be placed in a sealable bag, empty can, or other container to prevent the medication from leaking or breaking out of a garbage bag.
- Before throwing out a medicine container, scratch out all identifying information on the prescription label to make it unreadable. This will help protect your identity and the privacy of your personal health

information.

- Do not give medications to friends. Doctors prescribe drugs based on a person's specific symptoms and medical history. A drug that works for you could be dangerous for someone else.
- When in doubt about proper disposal, talk to your pharmacist.

Lessons Learned from Hurricane Sandy

Hurricane Sandy hit the East Coast two years ago and became the second-costliest such event in U.S. history. The price tag for the destruction was estimated at \$65 billion, with more than 600,000 housing units damaged or destroyed in New Jersey and New York alone.



The storm had a significant impact on low-income households as well as the organizations that provide affordable housing in the region. For Enterprise Community Partners, helping to rebuild almost 10,000 homes in the Gulf Coast after Hurricane Katrina was a learning experience that it could draw on to aid in the Sandy recovery efforts. To address the needs in the affected storm areas and help prepare for future disasters, Enterprise created the Hurricane Sandy Recovery and Rebuilding program to help housing providers create more resilient housing and organizations.

Twelve affordable housing organizations, which collectively serve 14,000 low-income households, in New Jersey and New York were selected to take part in the program based on their Sandy impact and their capacity to obtain meaningful results. The members can learn from one another, share their challenges and lessons and gain key support in the recovery and rebuilding processes.

The resilience program looks at three key areas. The first is helping organizations recover from Sandy in terms of capital needs, moving mechanical systems out of harm's way and storm-proofing for the future. The second concern is to help organizations strengthen their preparedness plans through scenario development, staffing responses, and resident engagement. The final piece is taking the lessons of the twelve organizations and collating them into tools and guidelines for the affordable housing industry nationwide. Midway through the program, Enterprise has provided funding to support staffing and other needs, assessed 55 affordable multifamily developments with 3,603 units for infrastructure vulnerability and helped the partners leverage \$33.5 million in additional funding for recovery and repair. " (AFH, Vol. 22, No. 6, 9/14/14).

To read more about this program, see: http://www.housingfinance.com/hurricanes/the-path--to-resiliency_o.aspx

“Around the Hubs”**PHILADELPHIA****Housing the Homeless**

President Obama has established a goal to end chronic homelessness by the end of 2016. To help achieve this ambitious goal, Multifamily Housing has partnered with PHFA, the City of Philadelphia and the Veteran’s Service Center to house the chronically homeless and homeless veterans (with VASH vouchers) in vacant unsubsidized efficiency and one-bedroom units. The HUD-Veterans Affairs Supportive Housing Program (HUD-VASH) is a joint program between HUD and the U.S. Dept. of Veterans Affairs (VA) in which HUD provides housing choice vouchers and VA provides case management and outreach. The program targets veterans who are currently homeless.

To date, the following management agents have housed the homeless: Interstate Realty Management (Spring Garden Towers– 5 housed, Jackie’s Garden– 4 housed, Kings Ferry Square– 2, , New Covenant– 2 housed, West Popular– 2 housed, Haddington Elderly– 2 housed, Mt. Sinai– 1 housed, Moreland Towers– 1 housed, Charter Arms- 1 housed, Ascension Manor– 1 housed, 8 Diamonds– 1 housed and Federation Housing (Tabas House -1 housed).

In addition, commitments have been made by the following management agents to house the homeless as soon as vacancies occur: Interstate Realty Management (Haddington Townhouses and Kensington Townhouses), Prudent Property Management, Mercy Douglas Human Services (Samson House, Simpson Fletcher, Ralston Mercy Douglas House and Mercy Douglas Residence), Community Realty Management (Beckett Gardens Apartments and St. Matthew Manor), Simpson Midtown, Presby’s Inspired Life, Community Property Management, Ingerman Group (tax credit properties) and Williamsport Housing Associates (Williamsport NSA Apartments).

A big thank you to the 10 management agents who have agreed to participate in this worthy initiative!

Housing Homeless Female Veterans

The growing number of female veterans throughout the U.S. has created a new set of challenges for organizations that serve veterans and the homeless. Pennsylvania, which has the nation’s eighth-largest population of female veterans, is seeing increased rates of homelessness among female veterans, many of whom are single mothers. In the Pittsburgh area, the Veterans Leadership Program of Western Pennsylvania (VLP), an organization that helps veterans transition to civilian life, and ACTION Housing, a local affordable housing developer and property manager, formed Project Journey, a program that provides female veterans and their families with temporary housing and support services to help them build stable lives and careers.

The six Project Journey units, located in Millvale, PA, are in safe neighborhoods with good school districts and access to public transit, shopping and other amenities. ACTION Housing owns and manages the Project Journey Apartments, except for two privately-owned units located near the VLP main office that are rented to Project Journey. The cost to rehabilitate the Millvale building was \$230,000. The R.K. Mellon Foundation provided a \$100,000 grant through the Allegheny County Department of Human Services, and private financing completed the funding package.

The United Way of Allegheny County’s United for Women campaign provided the initial funding for social service staff and rent for two apartments. Other funding sources include Allegheny County for rental assistance, the U.S. Department of Veterans Affairs for support service needs and the U.S. Department of Labor and the Newman’s Own Foundation for assisting the veterans with job searching and preparedness.

Recognizing that male veterans with children face the same issues as female veterans with children, VLP has also received funding from the Duquesne Light Company to initiate a supportive housing program for those families. VLP is currently working with ACTION Housing to identify suitable units in the Pittsburgh area.

Charleston Developer to Make Projects Accessible

Charleston developer Douglas Pauley, a general partner of 30 limited liability partnerships, has agreed to spend \$1.7 million to renovate 30 apartment complexes in West Virginia so they are accessible to people with disabilities, according to a settlement with the U.S. Justice Department.

Pauley also must pay a \$10,000 civil penalty and place \$100,000 into a special account that will compensate

disabled tenants who believe they were discriminated against.

The settlement comes after a two-year investigation of Pauley's apartment complexes, which receive federal tax credits. The agreement also will settle government claims that Pauley and entities affiliated with him had violated the Fair Housing Act and the Americans with Disabilities Act by building the complexes with features that made them inaccessible to individuals with disabilities.

Pauley must take extensive actions to make the complexes accessible to persons with disabilities, including wheelchair users. The corrective actions include replacing excessively sloped portions of sidewalks, installing properly sloped curb ramps to allow persons with disabilities to access the sidewalks from the parking areas, replacing cabinets in bathrooms and kitchens to provide sufficient room for wheelchair users and reducing door threshold heights.

DSHA Housing Needs Assessment Report

The Delaware State Housing Authority (DSHA) has released the Delaware Housing Needs Assessment 2015-2020. The report will drive planning for housing resources at DSHA and in communities around the State.

Affordable housing pressures have increased in recent years, with stresses on household incomes and increased demand for rental units both as a result of demographic changes and the foreclosure crisis. Statewide, 44,000 renters have housing challenges (paying more than 30% of their income for housing or living in overcrowded or deeply substandard living conditions), equal to 51% of renter households. The report can be read at:

www.destatehousing.com/FormsAndInformation/needs.php

DOJ Anti-Crime Program

The DOJ has a program to identify long term solutions for cities violent crime problems. It is called the Violence Reduction Network.

Two cities in the Region are participating- Wilmington, DE and Camden, NJ, as well as Chicago, IL, Detroit, MI, Oakland, CA and Richmond CA. The cities selected will be able to consult with officials from the FBI, Bureau of Alcohol, Tobacco, Firearms and Explosives, U.S. Drug Enforcement Administration and the U.S. Marshals Service, among other agencies. Federal authorities will visit the cities to examine their problems and city officials will visit other cities to review successful methods.

NEW YORK



Habitat House

Four staff members of the Buffalo Program Center, Doug Glichowski, Jay Neubauer, Jill Smolen and Lisa Mrzygut, are working as construction volunteers for Habitat for Humanity Buffalo, a non-profit charitable organization that seeks to alleviate the shortage of quality affordable housing in Buffalo, NY. They are helping to install exterior siding and attic/room insulation at Habitat House.

Through such volunteer labor and tax-deductible donations of money, land and materials, Habitat Buffalo builds or rehabilitates simple, decent houses. Families are selected based on their level of need, willingness to work, acceptance of responsibilities and ability to repay mortgage. Families must complete 500 hours of sweat equity, which includes homeowner education classes. Qualified families purchase Habitat homes with a zero-interest mortgage, enabling them to own their home.

Habitat Buffalo is primarily financed by private donations from individuals, community groups, corporations, charities, foundations, schools and religious organizations. The use of government funds for new construction or renovation or repair of existing houses, for acquisition of land or houses in need of rehabilitation, or for streets, utilities, and administrative expenses, are sometimes utilized as long as the funds have no strings attached that would violate Habitat Buffalo's principles.

Buffalo HUD staff feel that their work is very gratifying. "It's always a rewarding experience- lending a helping hand to others so they can achieve the American dream. It's also a good way to pick some new handyman skills."

Mayor's Progress Report

The de Blasio administration has released its first progress report, for New York City, tracking the mayor's performance on several campaign platforms. The annual Mayor's Management Report details the activity of city agencies during the fiscal year.

This year's report covers both the current and previous administrations, using data collected from July 1, 2013 to June 30, 2014. Statistics show crime is down slightly in the city overall, including a 13% decline in the murder

rate. However, there has been an increase in crimes taking place in public housing. Police emergency response times have improved by 23 seconds.

Although the city exceeded targets for new affordable housing construction, there were some issues with the quality of existing units. There were more housing violations issued than past years, and more complaints about heating and hot water.

In a related matter, the Standard & Poor's Ratings Services has upgraded the rating on one of the main funds the city uses to issue bonds and raise money to make loans to build affordable housing from AA to AA+.

The rating reflects the stability of New York City's affordable-housing investments, none of which defaulted even through the downturn. Loans were made to developers assuming that rents will remain low, rather than betting on big rent increases that led many private developers to default.

Affordable Housing Plan

A whole new era of affordable housing and a different city landscape is coming to New York City. According to Carl Weisbrod, Mayor de Blasio's planning czar.

Mr. Weisbrod, in addressed a group of real estate developers, four months after the mayor announced an ambitious affordable housing plan in heavily gentrified Fort Greene, pledging 200,000 units would be built or preserved at a cost of \$41 billion over the next 10 years.

"In order to even have a shot at 200,000 units of housing, we have to become a denser city," Weisbrod, the former head of Trinity Real Estate, told the packed room.

And to achieve that taller, denser city, a "delicate balance" would be required, he said, with the public sector footing the bulk of the funds, even as communities in neighborhoods like East New York worry that higher-density housing, upon which the mayor's plan hinges, might bring dramatic gentrification.

Weisbrod said developers would no longer have the option of building affordable housing in exchange for a floor-area bonus, which they had under the voluntary "inclusionary zoning" program. Since its implementation in 1987, I.Z. delivered less than 5,000 units.

Under the de Blasio administration's new mandatory inclusionary zoning, or M.I.Z., program, the city would demand affordable housing be included in future re-zonings.

\$46 Million Renovation

Teresa Bainton, New York Hub Director, recently attended a ceremony marking the multi-million dollar renovation of Terrace Gardens, a Staten Island affordable housing development located in the northern section of the borough. Its acquisition and renovation includes state-of-the-art energy efficiency and infrastructure upgrades, and unprecedented financing that will allow the 198-unit complex to remain affordable for at least three more decades. The two adjacent multi-family buildings had not been renovated since first opening in the 1970's. The developer, Arker Companies, accomplished the top-to-bottom renovations that maintain the buildings' original Art Deco design elements with refurbished kitchens, bathrooms, common areas, roofs, electrical fixtures, and insulation. In addition, parking lots were repaved, sidewalks were repaired, and a new security system was installed.

The project's total development cost was \$45.9 million. It was financed by \$27 million in tax exempt bonds through New York State Homes and Community Renewal and purchased by Citibank in the first-ever affordable private placement in New York; \$1.3 million in a Homes and Community Renewal annual allocation of tax credits syndicated through Wells Fargo; \$396,000 for two combined heat and power systems provided by the New York State Energy Research and Development Authority, \$198,000 for energy efficiency measures through the New York State Energy Research and Development Authority Multifamily Performance Program; and a 20-year Project Based Section 8 HAP contract from HUD. The New York City Department of Housing Preservation and Development will provide a tax exemption that will extend the affordability of Terrace Gardens for an additional 30 years.

New York Rent Control

Despite New York's rent regulation system, investment in multifamily properties in New York City is at a historically strong point. However, owners are concerned over several developments that may adversely impact their industry.

Of concern is the renewal of rent regulation laws on June 15, 2015, possible elimination of the vacancy allowance, possible elimination of preferential rents, possible repeal of major capital improvement pass-through charges, and the potential repeal of the Urstadt law that gave control of the rent regulation system to NY State.

Top 10 Energy Efficient States

New York was ranked No. 7 by ACEEE (see following Boston article).

Mayor's Challenge

The City of Albany, NY has joined with 15 other mayors and county officials in New York to accept *The Mayors Challenge to End Veteran Homelessness*.

The Challenge, which began in June, works to remove barriers to affordable housing for veterans suffering from chronic homelessness. To date 228 municipalities and counties from across the country have accepted the challenge.

BOSTON**Top 10 Energy Efficient States**

Four New England states have ranked in the top 10 nationally for their energy efficiency efforts. Massachusetts led the way in the annual ranking by the American Council for an Energy Efficient Economy (ACEEE), with Rhode Island and Vermont tied for the No. 3 spot and Connecticut ranked No. 6.

For more information, see:

<http://www.aceee.org/press/2014/10/massachusetts-tops-california-most-e>

Villa at Meadow View

On September 17, Sheila Galicki, Chief, Asset Development, joined representatives from Tewksbury Housing Authority and Elder Services of the Merrimack Valley to celebrate the grand opening of The Villa at Meadow View.

The Section 202 project includes 32 new apartments for very low income elderly persons. The common areas and apartments include barrier free, accessible design features, energy efficient windows, and Energy Star appliances. Residents also have access to a supportive services program which allows them to age in place.

NEAHMA Person of the Year

Joe McNealy, Operations Officer, was selected as the New England Affordable Housing Management Association's Person of the Year. He was selected for his outstanding contributions to building and strengthening HUD's already outstanding working relationship with NEAHMA.

In particular, his outreach efforts on the Better Building Challenge was cited during his award presentation. The Boston Hub lead the nation in this initiative with 11 participants signing on to the challenge and more expected.

BALTIMORE**Top 10 Energy Efficient States**

Maryland was ranked No. 9 by ACEEE (see above).

FHA

**80th
Anniversary**