



NORTHEAST MULTIFAMILY HOUSING HUB NEWS



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Choice Neighborhood Grants

Four communities, three of which are in the Northeast Center’s area, will be receiving a combined \$119.7 million in implementation grants, under the Choice Neighborhoods Initiative, to redevelop severely distressed public or HUD-assisted housing and bring comprehensive neighborhood revitalization to blighted areas. HUD is awarding grants to stakeholder groups in Philadelphia, PA (\$30M), Pittsburgh, PA (\$30M), Norwalk, CT (\$30M), and Columbus, OH (\$29.7M), in order to begin the process of transforming, rehabilitating and preserving public housing and privately owned HUD-assisted housing.



As part of HUD’s overall plan for revitalizing neighborhoods of concentrated poverty, Choice Neighborhoods funds are intended to transform distressed public and assisted housing into sustainable, mixed-income housing with connection to key assets and services and to support positive outcomes for families living in the development and in the neighborhood. Building on the successes of HUD’s HOPE VI Program, Choice Neighborhoods links housing improvements with a wide variety of public services and neighborhood

improvements to create neighborhoods of opportunity.

HUD’s *Choice Neighborhoods Initiative* is one of the signature programs of the White House’s Neighborhood Revitalization Initiative, which supports innovative and inclusive strategies that bring public and private partners together to help break the cycle of intergenerational poverty. It encourages collaboration between HUD and the Departments of Education, Justice, Treasury and Health and Human Services to support local solutions for sustainable, mixed-income neighborhoods with the affordable housing, safe streets and good schools all families need.

Choice Neighborhoods also contributes to the President’s *Promise Zones Initiative*, which will revitalize up to 20 of America’s highest-poverty communities by creating jobs, attracting private investment, increasing economic activity, expanding educational opportunity, and reducing violent crime.

The \$30 million grant is especially gratifying for the City of Pittsburgh which waged a grass roots advocacy effort for 20 years to secure funding for the Larimer/East Liberty neighborhood. The proposed Transformation Plan for Larimer/East Liberty calls for one-for-one replacement of all 155 housing units in the HUD-assisted East Liberty Gardens and the Hamilton-Larimer public housing complex. Overall, the development will include 350 units of mixed-income housing and mixed use development. It is the beginning of a \$400 million investment to be leveraged, with the goal of making it the greenest housing development in the U.S.



Social Security Change Update

In the May 2014 issue of this newsletter, we advised project owners and management agents that, beginning August 1, 2014, Social Security number printouts would no longer be available in SSA's field offices and, beginning October 1, 2014, benefit verification letters would also not be provided to visitors to its field offices.



However, to ensure there are no detrimental consequences to those served by SSA, benefit verification letters will continue to be provided until further notice.

SSA is encouraging agencies with existing data exchanges to obtain the necessary information online for their clients. It believes that the public will find the convenience of obtaining the information online much easier and faster than making the trip to an SSA office.

SSA has stated that it will revisit implementation of this change, periodically, as it assesses the impact of its outreach activities.

2012 Housing Discrimination Study

As federal, state, and local government agencies and advocacy organizations continue to confront the shifting challenges of housing discrimination, research to understand the extent of the problem has become essential to developing successful enforcement strategies and educational campaigns.



Many researchers and institutions have contributed to the body of knowledge on this topic, but the most significant efforts have been HUD's Housing Discrimination Studies (HDS), especially the national housing market studies that have been produced roughly every 10 years since the late 1970s.

Much of the research into housing discrimination, including HUD's HDS, relies on paired testing, a methodology in which two testers assume the role of applicants with equivalent social and economic characteristics who differ only in terms of the characteristic being tested for discrimination, such as race, disability status, or marital status.

There have been four national HDSs, released in 1977, 1989, 2000, and 2012. The most recent study, "Housing Discrimination Against Racial and Ethnic Minorities 2012" (HDS 2012), has samples designed to produce comprehensive estimates of housing discrimination against blacks, Hispanics and Asians in the national housing market, and also includes estimates of black and Hispanic rental discrimination for a subset of major metropolitan areas.

HDS 2012 assesses differences in treatment at multiple steps in the rental housing inquiry process, and testers record the results of the following questions:

- Is the homeseeker able to make an appointment to meet with an agent?
- If an appointment has been made, is the homeseeker told that at least one unit is available? How many units are available?
- If units are available, What rent is quoted? Is the homeseeker shown available units? How many units are shown? How helpful is the agent?

Overall, HDS 2012 shows fewer cases of overt discrimination. The metropolitan area estimates of discrimination against black and Hispanic renters did not find significant differences in the rate or severity of discrimination based either on the metropolitan area's geographic location or its local economy. The study did, however, find that renters who could more easily be identified as black or Asian at the phone or email inquiry stage, based on name or speech, were more likely to be treated adversely than those perceived to be white.

The entire study can be read at:

<http://www.huduser.org/portal/periodicals/em/spring14/highlight2.html>

Fast Housing Fact

Nationally, housing starts are running ahead of last year and much of the growth has been in construction of apartment buildings, rather than single-family homes.

Through July, housing starts this year are up about 9% from last year's first seven months.



State Trends in Child Well-Being

The Annie E. Casey Foundation, a private philanthropy based in Baltimore, MD, has published its 2014 Data Book - *State Trends in Child Well-Being*.

Data and trends bearing on child development and children's access to opportunity should command at least the same level of attention as statistics about our economy. The Foundation provides grants to help federal agencies, states, counties, cities and neighborhoods create innovative, cost-effective responses to the issues that negatively affect children (poverty, unnecessary disconnection from family and communities with limited access to opportunity).

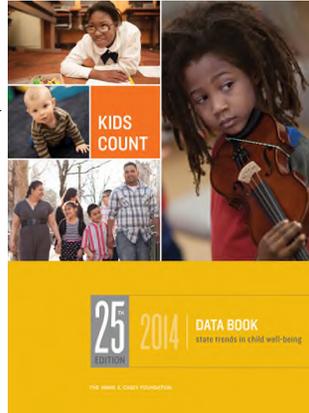
In comparing the years 2005 to 2012, key indicators for the nation have worsened. Namely, children in poverty- 19% to 23% (16.4 million), children living in households with high housing cost burden- 37% to 38% (27.8 million), children whose parents lack secure employment- 27% to 31% (23.1 million) and children in single-parent families- 32% to 35%.

The study also provides state rankings for the following five categories: child well-being, economic well-being, education, health and family/community. It was interesting to note that six states in the future Northeast Regional area were in the top 25% for all categories based on an average score (MA, VH, CT, NJ and VA). Two states fell in the top 33% (ME and MD) and four states fell in the top 50% (PA, DE, RI and NY). Only 1 state scored low in the top 75% category (WV).

The article concludes with the assessment that notable gains have been made in the areas of education, health and safety. However, the biggest challenge, in an era of increasing inequality in income and wealth, is "the widening gulf between children growing up in strong economically secure families within thriving communities and children who are not." The key to success will be to "provide the right investments to allow families and children to reach their full potential and, in the process, strengthen both our economy and our nation."

The Data Book can be read in its entirety at:

www.aecf.org/m/resourcedoc/aecf-2014kidscountdatabook-2014.pdf



New Online LEED Resource

The U.S Green Building Council (USGBC) has launched an online data resource that highlights real-time green building data for each state. The state briefs are dashboards that provide a quick look at state-specific LEED and USGBC data. They provide a look into LEED's impact for green building advocates and the general public. They include highlights of projects, credentialed professionals and USGBC membership.



LEED has fundamentally transformed the way buildings are designed, constructed, retrofitted and maintained, creating a new industry that's committed to delivering better, more efficient and cost-effective buildings. It is a voluntary, private-sector-driven standard embraced by businesses in all industry sectors because it generates real financial value. Today, more than 58,000 commercial and institutional projects are participating in LEED, comprising more than 10.7 billion square feet of construction space in all 50 states and more than 140 countries and territories. In addition, more than 53,000 housing units have been certified using the LEED for Homes rating system.

USGBC states that "Green building is good for the bottom line and creates demand for products, services and jobs that have a record of delivering better, high-performing, healthier and more environmentally responsible building outcomes. In turn, these market forces- driven primarily by LEED project activity- spur innovation, inspire competition, optimize efficiency, reduce costs and raise consumer expectations and awareness."

To view the state market briefs, see:

<http://www.usgbc.org/advocacy/state-market-brief>

Be a Reporter!



The *Northeast Multifamily Hub News* is always looking for interesting stories to publish.

If you would like to see your project or organization highlighted in a future issue, send a Word document (photos optional) to:

thomas.langston@hud.gov.

The Edge Articles

The Spring/Summer edition of *The Edge*, HUD's online magazine, contains two interesting articles "Expanding Opportunity through Fair Housing Choice" and "Connected Communities: Linking Affordable Housing and Transportation."



The first article provides a discussion of how the persistence of subtle forms of discrimination limits housing opportunities for minority homeseekers and contributes to patterns of residential segregation. It also covers Fair housing enforcement efforts and segregation rates in the U.S. that restrict minority households' access to neighborhoods rich in amenities and opportunities.

This article can be read in its entirety at:

<http://www.huduser.org/portal/periodicals/em/spring14/highlight1.html>

The second article, is a case study dealing with the challenges facing small and mid-sized cities with populations when it comes to providing residents with good connections and choices among housing, transportation, and community amenities such as schools, retail, recreation and health care facilities and libraries. Some key findings concerned coordination among different departments, transportation options, land use, location and transportation accessibility, and partnering with local, state and regional agencies and foundations.

This article can be read in its entirety at:

http://www.huduser.org/portal/pdredge/pdr_edge_research_071414.html

HUD's Former Secretaries

HUD was created as a Cabinet-level position in 1965. Since that time, there have been 16 Secretaries. How many can your name?



Here is the list:

1. Robert C. Weaver (1966)
2. Robert C. Wood (1969)
3. George C. Romney (1969)
4. James T. Lynn (1973)
5. Carla A. Hills (1975)
6. Patricia R. Harris (1977)
7. Moon Landrieu (1979)
8. Samuel R. Pierce, Jr. (1981)
9. Jack F. Kemp (1989)
10. Henry Cisneros (1993)
11. Andrew M. Cuomo (1997)
12. Mel Martinez (2001)
13. Alphonso Jackson (2004)

14. Steve Preston (2008)
15. Shaun Donovan (2009)
16. Julian Castro (2014)

Capturing Excess Bond Proceeds

HUD has published final rule in the *Federal Register* that amends reimbursement of excess bond proceeds to FHA when a claim is paid to a mortgagee.



As background, approximately 3% of projects in which insurance claims were paid were financed by issuing Section 103 tax-exempt bonds.

When FHA pays an insurance claim on a bond-financed mortgage, the lender remits the payment to the bond trustee who pays off the bond debts, debt services on the bond and fees and expenses owed to parties (such as the trustee or the bond issuer).

Since the amount of funds in the trust is not known prior to accounting for the final interest earnings on the invested trust fund balances, it is difficult to project what the exact trust fund balance will be at the time the FHA multifamily insurance claim is settled. As a result, the trustee is sometimes left with additional funds, also known as "excess bond funds."

Excess bond funds are distributed by the bond trustee to the mortgagor, the mortgagee, FHA or other third parties, according to the trust indenture agreement. As a result, the mortgagor or the mortgagee may receive excess bond funds after redeeming the bonds with the FHA multifamily insurance claim proceeds. With this change, the excess will be returned to FHA.

REAC Photos

REAC Inspectors began testing the photographic capability in the UPCS 4.0 Inspection software at three sites in Georgia in June and early July. These test inspections were limited to photos of Level 3 deficiencies. The inspections were solely for testing purposes.



In August, REAC Quality Assurance (QA) inspectors began using the new photograph capability in physical inspections of Multifamily and Public Housing properties. Photographs will be taken of any observed Level 3 deficiencies. These inspections will be inspections of record, with the inspection report reviewed and released like any other REAC physical inspection.

If the testing goes well, REAC plans to have all other inspectors begin using the new photo capability beginning in October 2014.

Appealing Sample Apartments

An attractive sample apartment can go a long way in helping to rent up vacant units.



Designer Brian Patrick Flynn, creator of the FlynnsideOut design blog, has these tips:

- Strive for a well-designed, subtle apartment that is simple and low-key.
- “Balance” the apartment by mixing natural materials.
- Create “warmth” by using soft, elegant materials and contrasting textures.
- Use wood surfaces softened by white-washing.
- Install broadloom carpets that add texture and softness underfoot.
- Use artificial lighting for a soft glow.
- Use sheer curtains to maximize lighting.
- Place lamps to evenly spread out light to eliminate bright spots and dark shadows.
- Use dimmers to control light precisely.
- Use accent pieces with interesting, intricate or compelling shapes.
- Select furniture with an interesting detail or finish.
- Mix a variety of shades and tints of tan, beige and cream colors into a neutral room for a contrasting and layering effect.
- Eliminate items that do not contribute (i.e., not special).

Vertical Gardens

At this point in the season, your project’s flower beds are probably full and you are about out of square footage for plants. But garden centers still have a nice selection of beautiful showy flowers, many of which are getting marked down as the summer planting season comes to a close.



Just because you think you are out of space doesn’t mean you can’t buy that beautiful dahlia or climbing vine. You just need to grow up, literally. Look at your building’s walls, fences and railings. There is still plenty of room. This is your year to start vertical gardening. There are lots of ways to do it, and it’s pretty affordable and simple. Your tenants can plant annuals, house plants and even some vegetables in a vertical garden.

Vertical gardening is increasing in popularity. It’s really unique because they are space savers, but at the same

time, they are also focal points. A vertical garden comes in many forms. The concept is that plants are growing up instead of out. You can build a vertical garden wall. Rather than a flat flower bed, it stands tall, allowing the planting of many flowers and drastically cutting the required space. One simple idea is to purchase a trellis, flowers pots, S-hooks, potting soil and flowers. Lean the trellis against a wall at about a 15-degree angle. A 24-inch by 72-inch trellis can accommodate eight 8-inch pots. Plastic pots come in all different colors, so here is your chance for creativity. Drill a hole about a half inch from the top of the pot and insert the S-hook. Plant your flowers, and use an S-hook to hang pots on the trellis. Now, sit back and watch your vertical garden add color to what used to be a bare spot. Popular plants used in vertical gardens are trailing petunias, pansies, impatiens, herbs and even some perennial plants like day lilies and hostas.

Another option is to use a wooden pallet or a lattice to create a vertical garden box. Build a box, using plywood for the back and pressure-treated wood for the frame. Use pieces of pressure-treated wood to make sections inside the box, and run PVC pipe into both sections for irrigation. Line the box with pond liner to hold your soil, fill the box with soil and cover it with a layer of weed block, stapled tightly. Secure a piece of lattice to the top and use more pressure treated wood to build a frame around the top. Cut slits in the weed barrier and plant in the holes of the lattice. Let the box settle for a couple weeks before standing it up or hanging it. Detailed instructions can be found at gardenclub.homedepot.com

The concept of vertical gardening also can be applied to a vegetable garden for vining plants that have a tendency to take over your space. Bamboo poles can be used to build a teepee. Then, gourds can be planted around the base. The gourds climb up, saving square footage in the garden and creating a wonderful visual. As an added bonus, by being off the ground, they do not invade your other plants, are kept clean and do not rot if it’s a wet season.

Other vertical gardening ideas include using vertical garden planters that look like felt pockets. These can be hung directly on a wall, fence or any other area that you would like to dress up. They are sold by many different companies in a variety of sizes. Some are composed of one pocket, while others have three or more pockets hanging in a row. Florafelt sells a 12-pocket vertical garden for \$129. You simply plant the annuals in these pockets, and they become a wall of flowers when they grow and fill in together.

In summary, vertical gardening provides a way for projects with limited space to provide tenants with the fun of gardening and to create an attractive eye-level environment.

Danger of Brominated Fire Retardants

The U.S. implemented fire safety standards in the 1970s that over time, have led to more and more products adopting the use of toxic flame-retardant chemicals (polybrominated diphenyl ethers, or PBDEs) to meet the stringent regulations.



Brominated flame or fire retardants (BFRs) include a wide range of chemicals added to carpets, textiles, polyurethane foam furnishings, electronics and plastics and motor vehicles to inhibit their ignition and reduce the chance of fire. Unfortunately, this "public-safety measure" has backfired, and now people, including children, are being exposed to high levels of these toxic chemicals in their everyday lives, which resemble the molecular structure of PCBs. This has caused serious health and learning disability problems. As a result, up to 97% of all Americans have significant levels of PBDEs in their blood.

Brominated fire retardants outgas into a residence and are commonly found in household dust, where they can be inhaled. A good preventative measure is to vacuum or use a wet mop on hard surfaces.

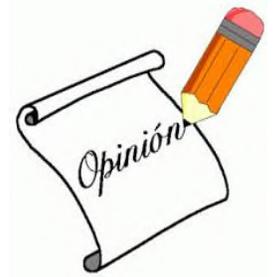
Alternatives to BFRs that provide comparable fire safety are available, and many products have been redesigned so that flame-retardant chemicals are unnecessary. Between 2004-2006, PBDEs were taken off the U.S. market. However, manufacturers are not required to disclose the chemicals they use to make their products comply with safety regulations. There are still a number of other fire-retardant chemicals that can be just as detrimental to your health, including antimony, formaldehyde, boric acid, and other brominated chemicals.

Older carpet padding that complies with CA Bulletin 117 (the old California fire-retardant standard) is a major source of PBDEs, so take precautions when removing old carpet. Check the label to be sure. If necessary, you can have the padding tested using a tool called an XRF (X-ray fluorescence gun). You will want to isolate your work area from other living units to avoid spreading it around, and use a HEPA filter vacuum to clean up. Safe alternatives for replacement carpeting are "green" carpeting or wood floors.

Age & Income Requirements

Based on an Office of General Counsel opinion, HUD will no longer approve requests to waive the age and income limits for projects, as defined at 24 CFR 891.410(c), for Section 202 PRAC projects.

These requirements are statutory and the Department lacks the authority to waive them.



MAP Appraisals in Place of RCS

Lender-ordered MAP appraisals will now be accepted in place of a separate Rent Comparability Study (RCS) for Mark-Up-To-Market transactions. Mark-Up-To-Market is a program that gives an incentive to owners to keep their projects affordable. HUD allows owners to increase their Section 8 rents to rents of comparable unassisted projects.



Current requirements for preparing RCSs, as stated in the *Section 8 Renewal Guide* state: "HUD will hire an independent third-party appraiser through its Contracting Officer. Since the RCSs will be done for both insured and uninsured properties, contract funds to pay for the studies will come from the sources below. The PM/CA will rely, without an in-depth review, upon the information contained in the third-party appraisal in implementing Mark-Up-To-Market."

With this change, a lender ordered MAP appraisal will now have two uses for these specific transactions:

- Serve as the RCS.
- Use for underwriting an application for FHA insurance.

Until the revised *Section 8 Renewal Guide* is published, Hub Directors will issue waivers to allow for the acceptance of the appraisals.

Federal Funding Transparency Site

Citizens can obtain data on funding from all federal agencies, including HUD, at the following website:

<http://www.usaspending.gov/explore>

"Around the Hubs":

PHILADELPHIA



Section 202 Project Awaits Supreme Court Ruling

The fate of a proposed 63-unit, \$9.8 million, Section 202 project, to be located in the Port Richmond section of Philadelphia, is in the hands of the PA State Supreme Court.

The project had been halted due to an appeal from resident Gloria Marshall and her son, attorney Jon Marshall. According to the court documents filed in Gloria Marshall v. City of Philadelphia and Zoning Board of Adjustment, attorney Marshall testified on behalf of his mother stating that there is a residential parking problem and that trash removal from the proposed apartments would be hazardous to the surrounding neighbors. Attorney Marshall did not respond to several attempts for comment.

Despite the proposed concerns from Marshall, the rest of the Port Richmond community has been rallying for the past few years to raise awareness about the senior housing project. Members of the Port Richmond community continue to pray a verdict will soon be reached on a proposal to convert the abandoned Nativity BVM School into senior housing. The school closed its doors in 2008. No ruling from the State Supreme Court has been announced and the Archdiocese of Philadelphia is looking to start renovations to the building.

There is a great demand for accessible senior housing in the area. A 2013 study conducted by graduate students from the University of Pennsylvania's School of Design found that in 2010, 88% of Philadelphia households within a half-mile of a closed school site have incomes below the city's average of \$60,000, while 34% of residents within a half-mile of a closing school site live below the \$23,000 poverty line. There are 101 acres of vacant land in the city due to these school closings, which adds a noticeable blight to the surrounding neighborhoods. If converted, Nativity BVM would be transformed into a useful building that would add life to the Port Richmond community.

Furniture for the Homeless

The Ingerman Management Company has partnered with PHFA to work with American Furniture Rental and CORT to donate furniture for the homeless program. Each

company will donate basic essentials (i.e., beds, dressers, and night stands) for two units.

Senior Expo

Multifamily Housing staff, along with HUD staff from other program areas, attended the 2nd Annual Senior Expo, on August 22, 2014, at Gray Manor Senior Apartments, located in Philadelphia, PA. The event was hosted by the East Broad Street Senior Network, a group of 16 senior developments which house 2,500 residents.

Over 400 seniors were provided with information concerning housing, health care, emergency preparedness, financial, literacy, guardianship, safety and security. The day's event also included formal presentations, lunch, music and fun interactive activities.

PSE&G Outage Center

Public Service Electric & Gas, a NJ utility company, has established an outage center to provide customers with real time information during power outages caused by heavy rain, high winds, lightning and downed wires.

The online website and text/e-mail alert sites are as follows:

www.pseg.com/outagecenter

www.pseg.com/myalerts

Best for Affordable Housing

On line data firm, Marketwatch, has cited the county of Fayette in the Pittsburgh area as one of the best markets in the nation for affordable housing.

It is an interesting option for families looking to both stretch their dollar and be in close proximity to attractions like several major pro sports teams and myriad theaters and music venues. (Note- To pay for the median home in the area, which costs \$50,000, it would take the median family over 7% of their monthly income. The median annual household income for the area is \$41,606).

"Bookworm" Computer Contest

Residents of Germaine Harbor, a 40-unit Section 223(f) project, located in Bethel Park, PA competed in a "Bookworm" computer word contest. The highest score of 130,000 points went to an 88 yr. old resident. The runner-up, with 123,000, points went to a 96 year-old resident. They will compete again next month. Recognition went to all participants. The project is owned by Germaine Harbor, Inc. and is managed by Housing Management Services.

NEW YORK



Secretary Castro Visits NY Office

The New York Regional Office and Newark Field Office were honored to welcome Secretary Julián Castro on his first field office visit since becoming HUD Secretary on July 28. The Secretary was invited to New York by Mayor Bill de Blasio to address the U.S. Conference of Mayors' "Cities of Opportunity Task Force." Afterward, Secretary Castro met with New York City housing officials and visited the New York Regional Office in Lower Manhattan, where he was greeted by several hundred HUD staffers.

Secretary Castro praised the New York and New Jersey staff for their hard work and dedication to helping communities, particularly noting the time and energy so many expended in the aftermath of Hurricane Sandy. The Secretary reiterated many of the themes he struck in his Town Hall on July 30, including his vision of HUD as the "Department of Opportunity."

He stressed the importance of demonstrable outcomes to impress upon Congress and the public the critical role of HUD in communities throughout America, and the importance of transparency and accountability in its day-to-day activities. Finally, he urged more collaboration with our sister agencies, citing Promise Zones, Choice Neighborhoods, and the Partnership for Sustainable Communities as examples of how agencies can work together to successfully promote dynamic, resilient and vibrant neighborhoods.

BOSTON



Tax Credit Pilot Project

A Section 223(f) firm commitment was issued on August 8, 2014 to insure a \$42,500,000 loan for South Village I & II, a 335 unit elderly/disabled development located in Trenton, NJ. The project consists of 269 one bedroom and 66 two bedroom units.

The application was submitted under the Tax Credit Pilot Program and was processed by the Providence Program Center. New Jersey Housing Mortgage Finance Agency has approved the issuance of tax-exempt bonds and PNC Bank will be providing the 4% credits. Two Section 8 HAP Contracts that cover 334 of the 335 units will be renewed for 20-year terms under Option 2 and all units will be restricted to 60% AMI.

The refinancing will allow for the completion of over \$7 million in non-critical repairs. The loan originated by PNC Bank is expected to close in September 2014.

HOLMES CUP

On August 15, Elaine Ormond (Senior Project Manager, Asset Management, Boston) was awarded the Philip W. Holmes Cup. The "Holmes Cup" is awarded annually to the New England Multifamily Housing Hub employee who best demonstrates the highest standards of teamwork, commitment, and caring. The cup is named in honor of Phil Holmes, the former Program Center Director in the Manchester, NH Office of Multifamily Housing, whom we tragically lost during the summer of 2011.

Elaine was nominated by her peers as an acknowledgment of her dedication to the mission of the Office of Multifamily Housing, along with the unending compassion that she shares with her peers on a daily basis. In addition to Elaine, the following New England Hub staff were recognized for being nominated by their peers: Lori Arico (Providence), Peter Boucher (Boston), Kim Cuscuna (Boston), Michael Patterson (Hartford), Diana Huot (Manchester).

BALTIMORE



Elderly Complex Breaks Ground

Mayor Stephanie Rawlings-Blake was joined by Baltimore Housing Commissioner Paul T. Graziano, Carol B. Payne, Field Office Director for HUD, Somerset Memorial Partners, the BFO Multifamily staff and community leaders to celebrate the revitalization of Memorial Apartments, a senior housing complex located in the historic Bolton Hill neighborhood.

The \$23.4 million construction project will preserve 266 affordable senior units, provide 96 units of market rate housing and serve as a catalyst for developing a thriving mixed-income neighborhood. The 3.57-acre distressed property will be transformed into a state-of-the-art apartment community when complete. Built in 1967, Memorial Apartments will get new central heating and cooling systems, windows, plumbing, a solar hot water system and elevators. New community spaces will include a multipurpose room with a catering kitchen, a computer room and library, a fitness center, community gardens, and seating areas on every floor for seniors to enjoy.

Acquisition and renovation financing for this project are being provided by: an FHA-insured first mortgage through Red Mortgage Capital, tax exempt bonds and 4% Low Income Housing Tax Credit Equity. The City of Baltimore also approved a PILOT for the property.

Affordable Housing Case Study

HUD USER publishes a series of case studies based on federal, state, and local strategies that increase affordable housing opportunities and support sustainable community development. The projects and community development efforts featured in these reports have demonstrated innovation through a multitude of partnerships and initiatives.

The most recent case study details affordable housing preservation efforts in Elkton, Maryland. At the Cottages and Gardens at Chesapeake, two separately owned and adjacent housing developments were brought under common ownership to rehabilitate the apartments and to allow for more efficient and effective management of the properties.

This creative rural preservation strategy helped earn the project the 2013 Charles L. Edson Tax Credit Excellence Award in the Rural Housing category from the Affordable Housing Tax Credit Association.

The case study can be read in its entirety at:

www.huduser.org/portal/casestudies/home.html

Virginia's First RAD Project

The Hopewell Redevelopment and Housing Authority (HRHA) became the first housing authority in Virginia to break ground on a Rental Assistance Demonstration (RAD) project on July 25. Built in 1962 as a public housing development, the Langston Park Apartment complex consists of 30 units in sixteen two-story buildings.

Once construction is completed, Langston Park will have 56 units in eight two-story buildings. "The new Langston Park will be a community with energy efficient homes, lots of green space, a new community center and playground allowing neighbors to enjoy their community," added Carrie S. Schmidt, HUD Richmond Field Office Director. "RAD is a key component of HUD's affordable rental housing preservation strategy. It helps communities attract investments that will enable them to convert housing developments, such as Langston Park, into project-based rental assistance developments with more income levels and amenities than before."

The RAD award has helped Hopewell to attract new investment into the City. Investors and partners in the Langston Park project include the Low-Income Housing Tax Credit program, HOME Investment Partnership (HOME) funds, Virginia Housing Trust funds, private bank financing and a strong development partner, Community Housing Partners.