

Executive Director's Report by Greg Carlson

What a first year, after trying for some time to form a New York chapter of the National Affordable Housing Management Association (NAHMA), thanks to Deborah Van Amerongen, who was HUD's New York City Director at the time, was able to get most of the affordable owners and management together and NYAHMA was born. This was late 2006, so by the time we resolved our organizational issues we were well into the year 2007. I am happy to report that by years end the New York Affordable Housing Management Association (NYAHMA) has approximately 250 members which represent almost 50,000 units of affordable housing.

One of our goals is to educate our industry. With that in mind, we had several very successful seminars well attended (over 100 attendees) covering REAC and in January 2008, an outstanding MOR review. If there are topics in which you, our members are interested in, please email me at info@nyahma.org.

Our most important goal in 2007 was seeking better application of Contract Administration through coordination of policies and procedures with CGI, HTF & HUD to ensure transparency, consistency and simplification of Contract Administration functions. To that effect NYAHMA held 4 meetings with CGI/HTF; 2 meetings with HUD; and 2 Meetings with DHCR - including one with Commissioner Van Amerongen. Read the article later in the newsletter for the specific accomplishments.

We ended the year with a farewell luncheon for Rochelle Printz, who after many, many years of service with HUD retired. The NYAHMA board took a table in support of her and to support our regulator partners. Rochelle's Retirement Luncheon was a place to socialize and intermingle with all our friends in affordable housing. See photo of NYAHMA's Board President R. Hunter Cushing presenting an appreciation plaque to Rochelle in this newsletter.

Finally, NYAHMA will continue to fight for owners and managers of affordable housing. In order to accomplish the goals for simplification and education we need membership dollars. If you know a colleague in affordable housing, please encourage them to join. Reminder, one of NYAHMA most important educational events is our "Meet the Regulators" on March 19th. If you have not confirmed your attendance please do so now!

NYAHMA Meets with the Regulators

In February and again in April and June, representatives of NYAHMA met with the top echelons in CGI and the NYS Housing Trust Fund which, as you know, is the Project Based Section 8 Contract Administrator in New York State. We then met, in October, with HUD NY's new Hub Director and her staff for discussion of issues we were unable to resolve with CGI as well as issues that are specific to HUD.

The most significant issues that we discussed with HTF / CGI:

- MOR close-out conferences - according to recent reports from our members, taken positive steps towards making the MOR exit conferences more useful and will now accept paperwork that was "missing" provided only it is sent to them (CGI) immediately after the site visit.
- MOR ratings that appear to discount the criteria in the handbook, resulting in ratings arguably different than suggested by the handbook.

Continued on back page

Announcements:

NYAHMA Regulators Seminar

Wednesday, March 19, 2008

This will be an opportunity to have a face to face networking event with Federal, State and City Regulators and Contract Administrators of affordable housing. If in your day to day work do you have questions but do not get or understand why? Here is the event that will make those unknowns happen!! The Regulator's Seminar is targeted to upper level management and executives of owners, asset managers and property managers.

Section 8 owners and Agents

Agency Presentations from: HUD; HTF; CGI
Panel discussions on Contract Administration

Mitchell Lama Issues

Agency Presentations from: DHCR; HPD; HUD
Panel discussions on Mitchell Lama Issues

Housing Vouchers Issues

in Mitchell Lama Projects
Panel discussions with
HUD/PIH; NYCHA; HPD; DHCR

WEDNESDAY, March 19, 2008

Registration at 8:30AM
(Seminar 8:30 – 5:00)
Manhattan Plaza (In the Ellington Room)
400 West 43rd Street (Corner of 9th Ave)

NYAHMA MEMBERS- \$125.00;
NON NYAHMA MEMBERS - \$250.00

You must register to be seated. You can register by phone, fax, email or by logging onto our website at NYAHMA.org



NYAHMA Board President R. Hunter Cushing presents a congratulatory plaque to Rochelle Printz, upon her retirement from HUD.

- Requests for significantly more documentation supporting budget rent increases than is required by handbook and, closely related to this, failure to process budget rent increases within the required time frames.

We asked CGI to release several things to us, our intent being both to better understand the bases for how CGI operates and arrives at its conclusions, and to promulgate this information to our members so their submissions and interactions with CGI will be better received and progress more smoothly. Specifically, we requested copies of all written guidance and instructions HUD has given the contract administrator, and we requested a copy of any internal directions and training material CGI has given its staff.

HUD agreed to review our concerns about CGI's processing of budget based rent increases, and asked us for examples, which we provided.

HUD agreed that when budget rent increase appeals involve issues involving familiarity with the project itself (e.g., staffing issues), the appropriate supervisory asset manager will participate in the review.

HUD acknowledged that staffing restraints can make it difficult for it (HUD) to schedule timely inspections for replacement reserve releases, and agreed to work with affected owners on a case-by-case basis to release without inspection if it is appropriate.

NYAHMA raised concerns about the difficulty, particularly within the five boroughs, of getting local code enforcement officials to certify that certain conditions (notably involving electrical fixtures and "blocked egress") cited by REAC inspectors are in fact in compliance with the local code— a necessary certification if one is to successfully appeal. We noted that HUD Washington – aware that most field offices have staff knowledgeable about local codes – has indicated that REAC would accept a letter from the local HUD field office, and we asked if HUD NY would work with us in this regard. HUD was not enthusiastic, but agreed to consider it. (In fairness, we should acknowledge HUD's concerns about liability should someone make an erroneous statement.)

NYAHMA raised concerns that some projects have been required by HUD to reduce management staff and/or functions because overall management expenses exceeded \$75 per unit per month. , HUD has revisited its policies regarding managerial expenses. The so called \$75 "cap" has been increased to \$85 and, more important, is now a guideline. HUD recognizes that case-by-case review is appropriate.

Some members submitting rent comparability surveys for Mark Up to Market have reported very substantial differences between their RCS's and those done by HUD's contract appraisers, and have experienced difficulty obtaining copies of HUD's RCS. NYAHMA asked that HUD, as a matter of practice, permit owners' access to those RCSs without having to go through the Freedom of Information Act procedures.

Recognizing that staffing issues in many cases preclude timely inspections, HUD has agreed to implement an expedited procedure for releases from replacement reserves, to be offered to owners and agents "in good standing" (e.g., 60+ REAC score, etc.). Details are being developed and will be released shortly.

HUD reviewed the documentation provided by NYAHMA and acknowledged that the Hub Director has the authority to prevent a flag from being issued simply because of a below-60 REAC score. *We would emphasize that this authority can not and will not be exercised lightly. One must have a very compelling basis on which to request this.*

David Buchwalter, NAHP-e, Adv. RAM, is a member of NYAHMA's Board of Directors. He is President of AdCar Associates, Inc., specializing in management and compliance issues pertaining to HUD-related multifamily housing. He can be reached at www.adcar.com.

Educational Seminars:

On June 20th NYAHMA's first seminar was "Preparing for REAC" from 9:30AM to 12PM. This seminar was free to members and \$40.00 to non-members. Gail Morgan Badger and David Buchwalter did a presentation. Jamey Arcara HUD Quality Assurance inspector from REAC assisted in the Q & A. Due to an overwhelming response to this first event the seminar had to be moved to larger facilities. The over 100 people attended this seminar; their reaction to this type of program was a shared enjoyed educational experience.

NYAHMA's next seminar was a capsule version of a program usually given by REAC in Washington over three days, distilled down to one.. The Washington DC REAC Inspection Training was held on Wednesday October 17, 2007 from 8:00AM to 5:00PM at Manhattan Plaza. Jamey Arcara of HUD did the presentation. There were 105 attendees. Another well received seminar in which attendees really appreciated the education that NYAHMA is providing and the thirst for more.

To start off the New Year right, NYAHMA first seminar of the year was "All About MOR". Almost 100 attendees gained fruitful knowledge on Management reviews which was held on Tuesday January 29th from 9:00AM to Noon at Renwick Gardens. The Facilitators, Gail Badger-Morgan, Marion Scott Real Estate Inc and Cynthia Bowman, Wavecrest Management Team LTD were given high praises for their presentations.

Please look for the most important event, NYAHMA's Regulators Forum on Wednesday March 19th at Manhattan Plaza.(see information in the newsletter).

President

R. Hunter Cushing, The Kraus Organization

Vice President

Josephine Perrella, Phipps Houses Services Inc.

Treasurer

Pinero Hector , Related Management Co. L.P.

Secretary

Bradford Winston, T.U.C. Management Co Inc

Board

David Buchwalter, AdCar Associates, Inc.

Susan Camerata, Wavecrest Management Team LTD

Tom Catlaw, Progress of Peoples Management Corp

Donald Manning, JASA

Gail Morgan-Badger, Riverbay Housing Corp.

Teresa Tota, RY Management

Joan Trani, PRC Management Co.,LLC

Cooper Winston, AIMCO Capital NE Rock

Executive Director

Gregory Carlson