CARH news™

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the Council for Affordable
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SEPTEMBER - OCTOBER 2018

Message from the Executive Director

Dear Members,

The CARH Board of Directors recently met and took our issues to Capitol Hill. CARH board members met with staff of various members of Congress to discuss our key areas of focus, including appropriate funding for all affordable housing programs and additional changes to the Housing Credit and Housing Bond programs. Read the full article, "Fall Board of Directors Meeting," on page 10.

A Continuing Resolution to keep the government open through December 7th has been passed. After the mid-term elections, it will be important for Congress to pass final Fiscal Year 2019 appropriations bills to avoid a government shutdown.

CARH members should be on the lookout for their 2019 membership dues renewals! We appreciate your continued membership and your support of the important work CARH does. We need your ongoing participation to stay strong and vital as we advocate for the affordable rural housing industry. Please take the time and renew your membership now!

Finally, plans are well underway for the 2019 CARH Midyear Meeting, to be held January 28-30, 2019, at the beautiful Ocean Reef Club in Key Largo, Florida. Take advantage of "early bird" discounts by registering now! You can find the Registration Form on page 33 or download the form at www.carh.org. The speakers and full schedule of educational sessions, as well as social events and free time, will be sent to members and posted on CARH's website later this Fall. Reservations at the Ocean Reef Club must be made online by January 4, 2019. Click here to view the different accommodations available and to make your hotel reservations. We look forward to seeing you all there, as we enjoy the Florida sunshine while accomplishing important goals for the affordable rural housing industry!

Sincerely,

Colleen M. Fisher
Executive Director, CARH

In this issue:

Tax Credit Percentages

Up to the moment tax credit percentages always available at ***www.carh.org***

2018	4% Credit	9% Credit
Oct	3.29	7.67
Sept	3.29	7.68
Aug	3.28	7.66
July	3.29	7.68
June	3.29	7.68

State of Nation's Housing Report Shows Persistent Affordability Challenges Due to Higher Costs, Slow Income Growth

By Joseph P. Poduska, Poduska & Associates

The 30th annual State of the Nation's Housing 2018, published by the Joint Center for Housing Studies of Harvard University (JCHS), remarks on the private sector's achievement in housing a growing U.S. population. More than 49 million housing units were built in the last three decades, housing 27 million new households and replacing many older homes. The typical home today is larger and more likely to have air conditioning, multiple bathrooms and other amenities. Structurally inadequate housing is rare.

But there are persistent housing challenges. Homeownership rates among young adults are lower than in 1988, and the share of cost-burdened renters is significantly higher. The JCHS says higher housing costs are largely to blame. The national median rent rose 20

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percent faster than inflation in 1990-2016 and the median home price rose at a 41 percent faster rate. Better housing quality accounts for some of the cost increase. However, sharply higher costs for building materials and labor, along with limited productivity gains in the homebuilding industry, have made housing construction more expensive.

Weak income growth among low- and moderate-income households has also contributed to the pressure on housing affordability. The inflation-adjusted income of the lowest income households, those at the lowest 25 percent of the income distribution, advanced only 3 percent between 1988 and 2016. During these same years, the median income among young adults in the key 25-34 year-old age group, the years when young adults traditionally form their own households, was up just 5 percent.

However, income growth has accelerated in recent years. Although flat at $25,300 in 2016, inflation-adjusted per capita income was up 6.5 percent over the previous two years and 7.5 percent over the previous three. Growth has been especially strong in the 25-34 age group, providing an indication that more millennials will be moving out of their parents' homes or apartment-sharing arrangements with others.

But taking a longer view, the Nation's Housing report states that, "If incomes had kept pace more broadly with the economy's growth over the past 30 years, they would have easily matched the rise in housing costs—underscoring how income inequality has helped to fuel today's housing affordability challenge." .

The strong growth in multifamily rental construction of recent years has done little to address the shortage of low-cost housing units. The Joint Center reports that between 2006-16, the total number of occupied rentals was up 21 percent, but the number renting for under $650 in inflation-adjusted terms fell by 5 percent. Over the same decade, the lowest-cost rental stock shrank by more than 10 percent in 153 of the nation's 381 metro areas and by more than 20 percent in 89 metro areas.

"These losses indicate that older rental units have not filtered down to more affordable levels in many parts of the country," the report states.

Cost-Burdened Households

Nearly one-third of all U.S. households paid more than 30 percent of their income for housing in 2016. For renters, the cost-burdened share is almost half (47 percent). Of the 20.8 million renter households with cost burdens, about 11 million pay more than half their income for housing, meaning they are severely burdened. In a positive development, the number of cost-burdened households fell by 4.6 million between 2010-16, but much of this improvement reflects a drop in cost-burdened homeowners.

Whether they own or rent, most low-income households pay large shares of income for housing. Fully 80 percent of renters earning less than $30,000 were cost-burdened in 2016, including 55 percent with severe burdens. Owners in this income group also have a high cost-burden rate of 63 percent, with 42 percent severely burdened. Among low-income owners with mortgages, 93 percent are cost-burdened.

Limited Federal Assistance for Those in Need

"Federal housing assistance is a vital but limited resource that serves just one out of every four very low-income renter households," the report says. "Of the 4.6 million households that currently receive rental support, the vast majority are older adults, families with children, and households that include a member with disabilities."

The low-income housing tax credit is the largest source of federally assisted rental housing, having produced 2.5 million affordable rentals. In 2017, about half of assisted households (2.2 million) receive housing vouchers to use in the private rental market. The number of occupied public housing units fell below 1 million for the first time in 2017. However, part of this is due to the Rental Assistance Demonstration program, which converts public housing to long-term Section 8 contracts. As a result of RAD, Section 8 project-based rental assistance edged up by 39,000 occupied units during the past three years to 1.2 million.

The report states that allocations of federal rental assistance have fallen well behind need. "HUD spending was essentially flat in 2013-15, even as the number of households with worst-case needs continued to rise," the report states. "Although the 2018 omnibus spending bill increased HUD funding, renewals of rental assistance contracts consume an increasing portion of its budget, reducing the funds available for other key programs."

State and local government initiatives have attempted to take up some of the slack but do not have the scale of resources of the federal government, the report says. These governments rely on bond issues, tax levies, and housing trust funds to subsidize below-market housing. According to the National Low Income Housing Coalition database, about 100 state and local programs provide either tenant-based assistance or capital support for affordable rental housing development. Denver started its own voucher program with public and private funding so lower-income households can afford to live in vacant high-rent units. Many state initiatives prioritize housing for the disabled, so they can live in the community rather than an institution, to comply with the Supreme Court's Olmstead decision.

Disaster Assistance Sets Record

Natural disasters have had big impacts on housing in recent years. According to the report, last year brought 16 major disaster events and a record-setting $306 billion in damages. The disasters destroyed hundreds of thousands of homes and caused the widespread displacement of households in California, Florida, Texas and Puerto Rico. In Puerto Rico alone, storms destroyed or severely damaged an estimated 472,000 housing units. Recovery will take years, with some homeowners in Houston reportedly living in their unrepaired homes for lack of rehabilitation funds. Less than 4 percent of the homes in Puerto Rico and only 20 percent of homes in Texas had flood insurance.

Congress has appropriated $7.4 billion in Community Development Block Grant Disaster Recovery grant funds to help communities recover. A portion of the funds, $38.9 million, has been allocated for mitigation projects such as flood control. Some critics claim, however, that the CDBG-DR program disproportionately benefits homeowners rather than low-income renters. The Federal Emergency Management Agency has also been criticized by low-income housing advocates for not activating its disaster voucher program to help displaced low- income households after the 2017 natural disasters.

Assisted Housing Outlook

In the 30 years since the first State of the Nation's Housing report was published, the number of very low-income families has grown by 6 million to more than 19 million. At the same time, federally subsidized rental housing has increased by only 950,000 units and the low-cost stock, housing rented under $800 in inflation-adjusted terms, has shrunk by about 2.5 million units.

"As a result, the share of lowest-income households with assistance has fallen from already low levels and even moderate-income families find it difficult to secure rentals they can afford in the private market," the report says. "Without greater federal leadership, reversing or even halting these long-term trends is unlikely."

The report suggests the best place to start is to enhance and expand the Housing Choice Voucher and low income housing tax credit programs, which JCHS describes as "the essential pillars of the federal subsidy system." HOME and CDBG need additional funds to support state and local government efforts to expand the supply of affordable housing, JCHS said. The report also points to an opportunity for state and local jurisdictions to reduce housing costs through regulatory reform, for example, providing density bonuses, allowing simpler housing designs, and streamlining approval processes.

Congress Shows Interest

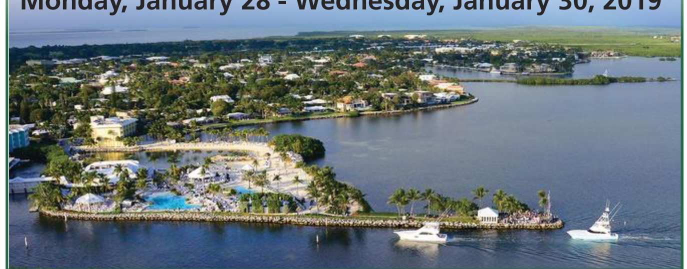
There has been a revival of interest among members of Congress with the issues examined in the Nation's Housing report. Rep. Sean Duffy, a Wisconsin Republican who chairs the House Financial Services Committee subcommittee on housing, convened a September 5 hearing on the cost of regulation on affordable multifamily development. "The lack of development is especially concerning because while we continue to enjoy some of the lowest rates of unemployment in our history, people are having trouble finding affordable housing in areas they are being offered jobs," said Duffy.

To better understand and respond to a widespread shortage of affordable housing across the country, a bipartisan group of senators has introduced a bill to create a Task Force on the Impact of the Affordable Housing Crisis. Charged with making a comprehensive review of affordable housing needs, the task force's mission will be likely to include rural rental housing. The task force bill, S. 3231, was introduced by Senators Todd Young (R-IN), Maria Cantwell (D-WA), and Angus King (I-ME). Original cosponsors are Senators Dean Heller (R-NV), Tim Kaine (D-VA), Doug Jones (D-AL), Cory Gardner (R-CO), Marco Rubio (R-FL), and Chris Coons (D-DE). **(At CARH's board of directors meeting, the board unanimously agreed to support this legislation.)**

REGISTRATION IS OPEN!

for the 2019 Midyear Meeting

at the stunning Ocean Reef Club in Key Largo, Florida!
Monday, January 28 - Wednesday, January 30, 2019



Register today for this key CARH event!
Registration form is on page 33.
Meeting brochure will be available later in the Fall.

The task force would be charged with evaluating and quantifying the impact affordable housing has on other areas of life and life outcomes for individuals, including education, employment, income level, health, nutrition, access to transportation and neighborhood poverty levels. It would also examine the costs incurred by other federal programs due to the lack of affordable housing. The group would recommend to Congress how to improve the effectiveness of other federal programs that help residents of assisted housing and improve the outcomes for individuals.

To read the State of the Nation's Housing Report, click here.

Joseph P. Poduska is President of Poduska and Associates. He may be reached at joepoduska@gmail.com.

RAD for PRAC Still Undecided

Meanwhile RAD Doesn't Stop

By Georgia Coffman and Cash Gill, Gill Group

Georgia Coffman

Cash Gill

The Rental Assistance Demonstration Program (RAD) for Project Rental Assistance Contracts (PRAC) is an increasingly popular topic at the moment, as hot as a mid-summer day in Southeast Missouri. In much the same way as we long for cooler fall days, we await further information regarding RAD for PRAC's implementation. Meanwhile, we fill our time with pool days and AC as we speculate RAD's future. We reached out to Holly Knight of BGC Advantage for her take on RAD and RAD for PRAC.

Knight started with RAD at the program's infancy at the Department of Housing and Urban Development (HUD), where she became the Southeast Regional subject matter expert. According to Knight, "I immediately saw the value of the program as a successful model, but I also saw potential barriers that could prevent Public Housing Agencies (PHAs) from enjoying the full benefit of conversion. I left HUD to provide PHAs with a complete resource for navigating the RAD process as a developer, consultant or partner depending on the need."

The first step toward a successful RAD conversion is applying for and securing funds. The process can be complicated, and its time frame depends on a variety of factors. Knight explains, "If it is a PHA funded-only project, it could be converted in six to nine months, but these projects do not have the highest priority. A debt-funded RAD project really depends on the loan underwriting and HUD RAD approval, [which] can be nine months to a year." She describes another scenario with tax credits, in that these projects "depend on what the funding cycle is and if it's competitive or not, [so] these take anywhere from twelve to eighteen months, depending on the project, investor, debt, and HUD processing time."

Other challenges stem from the stability of the actual funding sources. Knight says, "When the tax reforms were in flux, RAD project funding was reduced, [causing] delays and shortfalls." She recalls how projects were affected and she worked closely with HFA agencies and investors to develop viable solutions.

Her advice in dealing with these kinds of unexpected issues during the RAD conversion process is to foster an environment of creative collaboration. She says, "The development team and PHA have to be prepared to work together to solve each issue that arises…. My advice is to be transparent about the problem and open to new ideas." She continues, "The more minds you have focused on a problem, the easier it is to find solutions that are uniquely suited to the challenge."

Knight and her team emphasize the importance of project sustainability by providing PHAs with the tools to manage their assets long after project completion, including real estate savvy, economic stimulus and conservation methods. According to Knight, "Utility savings are an exciting and underutilized RAD tool for PHAs."

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She describes a recent BGC Advantage project partnership with the Leesville Housing Authority. "Together, we secured the first RAD Project Based Voucher (PBV) utility allowance waiver approval in the country." She explains, "The savings achieved through the resident paid utilities raised the RAD rents and leveraged extra funding for the project. Conservation should be a priority in all RAD projects, particularly when implementation can produce real savings."

Another RAD specialization for Knight and BGC Advantage is their ability to leverage large amounts of funding for projects and communities in need. According to Knight, "We have raised over $600 million in leveraged funding for RAD clients in the past four years." This is especially impressive since their focus is on mid-size PHAs with 200 to 1,500 units. This funding is particularly advantageous for smaller RAD projects that do not always receive the necessary funds easily.

Understanding its intricacies and capabilities is critical for realizing the program's potential. RAD has been extremely beneficial for PHAs and properties affected by storms like Katrina, Gustov, and Ike. Knight says, "Rehabilitation projects in the wake of storm devastation can leverage the private sector funds and management methodologies in RAD, which highlights its significant use and need."

Now with the new 2018 omnibus spending bill, PRACs will also reap the benefits. Knight's outlook on RAD for PRAC is that "there is still a lot more to be explored with PRACs." She clarifies, "I think that PRAC will flourish as entities understand the fundamental benefits of locking in a secure funding stream and leveraging private investment."

Knight's earlier statement about working together applies here as well. She says, "Whether it is RAD or PRAC, there may need to be partnerships that are formed with nonprofits and for-profit developers. This can be a scary venture for many entities and communities." This again is something to be explored and understood, so that properties can be successful for the good of their owners and tenants.

While the expanding possibilities for RAD for PRAC are examined and formalized, RAD conversions maintain their current advantages and aren't stopping. Firms like BGC Advantage are continuously hard at work, ensuring that PHAs realize the benefits of successful RAD conversions.

For more information about Gill Group, please visit https://gillgroup.com.

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COUNSEL'S CORNER

Advocating for More Capital in Rural Markets

By Richard Michael Price, Esq., Nixon Peabody LLP

CARH regularly advocates for more federal resources for rural markets. One essential resource is lending and investment capital and the federal programs and incentives that make those more available. We have seen a recovery of the financial markets around the country since the 2008 Great Recession, but rural markets continue to lag. Indeed, some financial journalists and commentators continue to point out financial distress in rural areas. LUCRO Deal Review, January 22, 2018, notes that the rural, affordable market is troubled. They point out that rural markets more than 100 miles outside large cities have high poverty rates and limited access to intellectual capital and business activity.

In 2012, approximately 21 percent of the US population lived in rural areas, with approximately 17 percent living below the poverty line2, versus 14.9 percent nationwide. Many rural poor live in cars and campgrounds and are less visible to the casual observer than in rural areas and also may be harder to find and count. Still, estimates are 14 homeless persons per 10,000 residents in rural areas. Rural areas have fewer subsidy programs, for example the Community Development Block Grant program is limited to cities and urban counties. The Atlantic, January 28, 2015.

National Real Estate Investor (July 18, 2017) points out continuing opportunities for lenders and investors in rural real estate with lower competition among apartment investors. But the flip side is the reason for these opportunities and room to invest—rural markets are thinner and more fragile. Local knowledge of the community around an apartment complex is key to any successful investment. Cap rates for garden apartments in tertiary markets averaged 6.5% for the 12 months through June 2017, compared to 4.8% for the top six metro areas in the same time period. But the article notes that institutional investors simply don't participate in smaller markets, let alone truly rural markets, because costs are too high, too inconsistent from year to year, and job growth and with it rent growth are too slow.

The Fannie Mae July 2018 Multifamily Market Commentary notes, for example, that the Mississippi Delta, an area that is largely rural, with 3 percent of the National population, faces several demographic constraints. Residents are older (39.9 years on average, 2.2 years more than the US Average). There is less demographic diversity and integration. Jobs are more limited and more jobs are in lower paying occupations like farming. Not surprisingly, the poverty rate is 23% compared to the US average of 15%, with the rural renters earning $24,200 in median household income.

One effort designed to help address the lack of capital in rural markets is called the Duty to Serve rules.The Housing and Economic Recovery Act of 2008 required the Federal Housing Finance Authority to set goals for Fannie Mae and Freddie Mac to facilitate more capital to rural areas. CARH has been a key advocate in Duty to Serve, and Colleen Fisher, CARH Executive Director; Tanya Eastwood, CARH Chairman of the Board and President/CEO of Greystone Affordable Housing; and Russell Kaney, CARH Board Member and Senior Development Officer for Native American and Rural Investments with Enterprise Community Partners, Inc., all serve on the board of Fannie Mae's Duty to Serve Rural Housing Advisory Council. Tanya Eastman serves as the Chair of the Council.

Fannie Mae's January 1, 2018 Duty to Serve Plan for Rural Housing Markets sets out solid data that high-needs rural regions lack convention mortgage liquidity. There are simply fewer conventional loans in rural areas, including for rural affordable multifamily rental housing. In 2016, rural area multifamily conventional loans were 81% of all multifamily loans, which looks positive until you compare that the rate was 92% in non-rural areas. And, 35% of originated loans in rural areas were not sold into the secondary market. That rises to 46.3% in Middle Appalachia and 50% in Lower Mississippi Delta. This clearly establishes that there is significantly less access in rural areas to the secondary mortgage market—the people who buy mortgage debt and inject liquidity into lending markets. Total lending on multifamily properties in rural areas was about $4.3 billion in 2016, up from $3.5 billion in 2013. That is promising, but less than half in 2016 were for refinancing. From 2012 to 2016, rural multifamily loan volume grew by 27% compared to 56% in non-rural areas. And, as you might expect, rural multifamily loans continued to be far smaller on average than non-rural area multifamily loans—$1.4 million for rural compared to $4.2 million for non-rural on average. Freddie Mac's Duty to Serve Underserved Markets Plan for 2018-2020 contained similar findings.

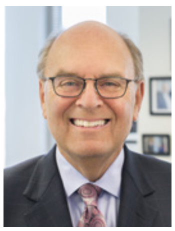
The Duty to Serve effort holds promise for increased capital for rural areas as it is implemented in 2019 and 2020. However, expanding the Section 538 Guaranteed Rural Rental Housing Program beyond $230 million and allowing it to be used for refinancing will help significantly in expanding capital to rural rental housing. Also, bringing back HUD's Small Building Risk Sharing Initiative would also help. (HUD withdrew implementing regulations last year claiming that the matter was being studied and it did not appear the program was needed.)

Richard Michael Price, Esq. is a partner with the law firm of Nixon Peabody, LLP, and works in the Washington, DC office. He specializes in affordable housing, low-income housing tax credits, tax credit finance and syndication, real estate and community development, governmental relations and public policy and government contracts. He is the editor-in-chief of Nixon Peabody's Affordable Housing and Community Development blog. Richard may be reached at 202-585-8716 or rprice@nixonpeabody.com

COUNSEL'S CORNER

GAO Report on Low-Income Housing Tax Credit Properties

By Richard S. Goldstein, Esq., Nixon Peabody, LLP



On September 18, 2018 the United States Government Accountability Office (GAO) issued its long-awaited report on development costs for low-income housing tax credit (LIHTC) properties (GAO-18-637, LOW-INCOME HOUSING TAX CREDIT: Improved Data and Oversight Would Strengthen Cost Assessment and Fraud Risk Management). The GAO had been working on this report for several years and many in the industry had great trepidation about what this report would contain and whether it could undermine congressional support for the program.

As it turned out, the report was straightforward and contained no sensational findings. In the words of a senior Senate staffer involved in the program, it was, "Much ado about nothing."

Nonetheless, there are some significant findings, recommendations and conclusions which could lead to further regulatory and/or legislative changes to the program. I would summarize those as follows:

Findings

- The GAO examined the practices of twelve housing credit agencies: Arizona, California, Florida, Georgia, Illinois, Chicago, New York State, New York City, Ohio, Pennsylvania, Texas, and Washington State. They created a database of 1,849 projects that submitted final cost certifications from 2011-2015.
- The median per-unit cost of the LIHTC projects studied was $204,000. New construction projects were almost $50,000 higher than rehab projects ($218,000 vs. $169,000). The median per-unit cost in urban area new construction was about $38,000 higher than non-urban areas ($230,000 vs. $192,000) and per-unit rehab costs were about $72,000 higher in urban areas than non-urban areas ($196,000 vs. $124,000).
- As would be expected, the median credit price increased during the period 2011-2015 (with respect to cost certifications submitted during this time) from $0.81 to $0.93.
- Median per-unit costs (accounting for inflation) of new construction projects increased by about 7 percent over this period but the median per-unit costs for rehab decreased by about 26 percent.
- When viewed against the Bureau of Labor Statistics rates of change for construction costs, median LIHTC construction costs increased by about the same percentage but there were variations within this period for LIHTC—in some years the costs increased and in others, they decreased.
- Surprisingly, GAO was unable to compare LIHTC vs. market rate apartment developments due to a lack of data. Lack of consistent data is discussed below. However, GAO found that the following factors may explain cost differences between LIHTC and market rate housing:
  - o LIHTC projects are built to be more durable.
  - o Agency and local requirements (e.g., historic preservation, on-site commercial space, community rooms, green building and energy efficiency standards).
  - o Developer fees being paid from tax credit equity vs. market rate developers relying on cash flow and appreciation for their profit.
  - o Soft costs due to LIHTC complexity and multiple public and private financing sources.
- Not surprisingly, per-unit costs varied greatly state-by-state from a low in Texas ($126,000) to a high in California ($326,000). Of the 12 states studied, the highest costs are in Chicago and California, the lowest costs are in Arizona, Georgia, Ohio and Texas, with Florida, Illinois, New York City, New York State, Washington, and Pennsylvania in the middle. The highest variance of costs within a particular state was experienced in California, with the range as much as $606,000.
- Factors that most influenced cost differentials are as follows:
  - o New construction vs. rehab (as noted above).
  - o Per-unit costs decreased as the number of units increased; however, taller buildings averaged about $15,000 more in per-unit costs.
  - o Unit (bedroom) size—the greater the bedrooms, the higher the costs.
  - o Senior projects had lower per-unit costs, presumably because of unit size, of about $7,000.
  - o Target income levels—per-unit costs are about $11,000 more for projects targeted predominantly to low-income tenants vs. projects with some market rate units.
  - o Projects developed by non-profits cost, on average, about $15,000 more per-unit.
  - o Importantly for members of CARH, the per-unit costs for urban projects are about $13,000 more than for suburban and rural projects, due to both land and construction costs.
  - o The findings on the impact of difficult development areas (DDAs) and qualified census tracts (QCTs) are somewhat confusing but the GAO found that costs in both DDAs and QCTs were generally higher than in other areas.
  - o Again, importantly for CARH members, projects that received at least one Rural Development loan or grant had about a decrease in costs of about $32,000. GAO speculated that this decrease is due to the fact that rural areas have much lower incomes and rents which made higher priced developments infeasible.

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- o Other funding sources—projects funded with HOME or CDBG funds did not have statistically higher costs.

Agency Steps to Manage and Verify Costs

- GAO reviewed cost containment policies of all 57 allocating agencies and found:
  - o 68% limited total development costs.
  - o 68% limited per-unit credit allocations.
  - o 89% limited developer fees.
  - o 89% had cost-based scoring criteria (i.e., greater points for lower costs). Between agencies, the manner in which this is administered varied greatly.
  - o However, only 37% (21 agencies) used all four types of cost controls.
- In 11 of the 12 agencies closely studied, agencies discouraged cost increases with various policies, including:
  - o Restrictions on change orders.
  - o Requiring agency approvals for cost increases.
  - o Requiring developers or general contractors to pay for costs increases using contingencies, profits or other funding sources and penalizing developers for cost increases in future applications.

Enhanced Agency Practices to Manage Fraud Risk

- GAO pointed out the practices of several agencies that help manage fraud risk, although it noted that these enhanced policies are not required by Section 42 or IRS regulations. In particular, GAO cited the fact that while IRS regulations require project-level cost certifications, they do not require specific contractor costs.
- The GAO stated that the extent of fraud in the LIHTC is not known, but it highlighted the well-publicized fraud cases that led to convictions in Florida over the past couple years in citing the risk of fraud in the program.
- There is a lengthy discussion in the report about the desirability of conducting contractor-level cost certifications to verify the costs submitted by developers in the project-level certifications already required by IRS regulations. Of the 12 agencies studied, four require general contractor certifications. California requires audits to the subcontractor level where there are related parties. Only four other agencies among the other 45 require general contractor certifications.
- GAO cited the fact that NCSHA's revised recommended practices suggest additional cost certifications—which could include general contractor and/or subcontractor audits--be conducted.
- In addition, GAO stated that NCSHA, a national accounting firm, some developers and several allocating agencies suggested that these additional cost certifications can help deter fraud.

Weakness in Data Quality and Federal Oversight Constrain Cost Assessments

- As has been the case with its prior LIHTC reports, GAO has bemoaned the fact that there is limited data available to make assessments of costs, that the data that is available is inconsistent, no federal standards exist as to what type of data should be maintained and that there is no federal oversight of LIHTC costs. It cited a number of data points that would be helpful for them to have.
- According to GAO, few of the selected agencies evaluated data to determine the effect of their policies on cost management.
- Data on total tax credit syndication expenses and fees is lacking.

GAO's Conclusions

- Congress has not specifically designated an agency to evaluate the program's performance. There was discussion in this and a prior report that HUD should take on this role. When suggested in an earlier report, the idea garnered no support in the Congress or within the industry.
- Current IRS cost certification requirements—that do not mandate contractor level audits—do not directly address a known fraud risk.
- Lack of standards for collecting and maintaining data related to project costs result in inconsistent data quality and formats which, in turn, make it more difficult to assess project costs.
- IRS has not communicated to agencies how agencies should collect and review syndication expenses.

GAO's Recommendations

- IRS should require general contractor cost certifications.
- IRS should encourage state agencies to collaborate on the development of standardized cost data.
- IRS should communicate to state agencies how to collect information on syndication costs.

Richard S. Goldstein is an attorney with Nixon Peabody LLP, who focuses his practice on transactions and public policy, both with the low-income housing tax credit in common. His leadership in the affordable housing industry was recently recognized by Affordable Housing Finance Magazine, *which named Mr. Goldstein to its Affordable Housing Hall of Fame in 2014. He may be reached at (202) 585-8730 or rgoldstein@nixonpeabody.com.*

Rental Housing for a 21st Century Rural America

By Corianne Scally, Brandi Gilbert, Carl Hedman, Amanda Gold and Lily Posey, Urban Institute

Many rural communities are facing shortages of affordable rental housing, an issue that is becoming increasingly urgent as incomes stagnate and federal supports are stretched thin. One in four rural renters is spending more than 50 percent of their income on housing, yet the rental housing supply in rural communities is often small or shrinking. As rural America's housing requirements change, it is essential to assess the need for constructing more high-quality, affordable rental units. The diversity of rural America—from newly booming energy towns, to aging communities, to underserved rural communities experiencing persistent poverty—makes identifying this need challenging. This study analyzes what's driving the demand for new affordable rental housing in diverse rural areas and suggests ways to increase funding and capacity to deliver new units to the communities with the most severe needs.

New solutions are needed as federal support is stretched thin

Many rural communities have been served by older federal programs, but they require new solutions to build capacity and develop units that provide affordable options at the scale required. The supply is not keeping up, and affordability issues are growing for those on fixed incomes and working families. As this study illustrates, many counties eligible for federal support face shortages, but resources are thin. Several federal programs are authorized to provide loans, grants, guarantees, and operating support for affordable rental housing in rural America, but few are meeting the demand. These resources are generally oversubscribed, underfunded, and difficult to win when competing against urban projects. They also lack dedicated operating supports to make units affordable to the most vulnerable households.

Click here to continue reading about the Urban Institute study and for the link to the full report.

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ADVISORY TRUSTEE PROFILE

Bernard Robinson & Company, LLP

Compiled by Betsy Valentine, Marketing Consultant, CARH

CARH is pleased to spotlight Advisory Trustee member Bernard Robinson & Company, L.L.P. (BRC), a Certified Public Accountant and Advisory firm with offices in Greensboro, Raleigh, Winston-Salem, and Dunn, NC. BRC operates as a leading CPA firm with top business advisors engaged in helping today's middle market and private companies, not-for-profit organizations, small businesses and government entities, with dedicated teams who also serve several key industry sectors. BRC serves clients across North Carolina and throughout the Southeast. Founded in 1947 by Bernard Robinson, a former Assistant District Director for the IRS, the firm is today managed by 12 partners, with over 80 employees and about 50 CPAs.

The BRC Affordable Housing industry practice is one of the firm's largest practice areas. They provide assurance, tax and advisory services to more than 1000 affordable housing entities located throughout the United States. Their clients encounter unique and sometimes nearly impossible obstacles in developing and maintaining affordable housing properties. BRC takes great pride in helping clients to succeed in this industry and is dedicated to the belief that every person deserves a place to call home.

The firm provides hands-on guidance to navigate the technical and regulatory requirements of the affordable housing industry. In order to achieve tax-exempt financing, tax credits and the other benefits of being involved in the Affordable Housing programs, dynamic and sometimes complex regulatory and reporting requirements must be met. Otherwise, organizations risk loss of these benefits and, potentially, the opportunity to participate in future Affordable Housing programs.

BRC provides Affordable Housing assurance, tax and advisory services as follows:

- Financial statement audits, reviews, and compilations
- Tax preparation, research, and planning
- LIHTC cost certifications for new construction and acquisition/rehabilitation
- HUD mortgagor and contractor cost certifications
- Agreed-upon procedures engagements, including annual HUD REAC submissions
- Regulatory compliance monitoring
  Consulting: LIHTC applications, HUD firm commitments, construction and development, acquisitions, dispositions, syndication issues and more…

BRC is active in several affordable housing associations besides national CARH. They are:

- Virginia Council for Affordable and Rural Housing (VCARH) – Member
- Carolinas Council for Affordable Housing (CCAH) – Member
- National Affordable Housing Management Association (NAHMA) – Member
- Southeastern Affordable Housing Management Association (SAHMA) – Member

BRC's sense of social responsibility and growth led them to form a standing committee called the BRC Council, which organizes the firm's involvement in community activities. BRC donates time and money to a variety of different organizations annually. Whether it's digging ditches needed in the construction of a house for a family fallen on hard times, building bicycles for disadvantaged children, competing to be the office team that collects the most school supplies or delivering budgeting presentations to homeless veterans, you can count on Bernard Robinson & Co. According to Marsha Kunz, Director of Human Resources, "It's fun to give back. We get as much out of the service events as the recipients."

For more information about Bernard Robinson, please visit www.brccpa.com.

STATE AFFILIATED ASSOCIATION PROFILE

Florida CARH

Compiled by Betsy Valentine, Marketing Consultant, CARH

The Florida Council for Affordable Rural Housing (FLCARH) has been an active and important state affiliate of National CARH since its founding in 1985. They were named the CARH State Affiliated Association of the Year in 2013. Kevin Flynn of Flynn Management Corporation is the President of the Board of Directors of FLCARH. Mr. Flynn was President of National CARH from 2012 to 2014, Chairman of the Board from 2014-2016, and Past President from 2016-2018.

FLCARH is a non-profit organization dedicated to advocacy of the financing, development, and management of affordable multifamily housing. Over the years, the general membership of FLCARH has included owners, developers, managers, lenders, syndicators, accountants, architects, attorneys, and vendors to the industry.

As a chapter of national CARH, the leading advocate serving housing professionals in over 40 states, FLCARH has followed their mantra of continuing to push for legislative and regulatory initiatives that benefit all sectors of the affordable housing industry. FLCARH provides excellent service to its members through its lobbying efforts, meetings with USDA Rural Development and other state representatives, regularly scheduled board meetings, annual meetings, educational seminars, and by providing up-to-date industry information. FLCARH remains dedicated to its members and to the advancement and continued success of the affordable multifamily housing industry.

FLCARH usually holds its Annual Conference each October in Clearwater, Florida.

For more information about FLCARH or the meeting, please visit, www.flcarh.org.

Fall Board of Directors Meeting

By Tamara Schultz, Membership Manager

The CARH Board of Directors held its annual fall meeting on September 5-6 at the Ritz-Carlton, Pentagon City in Arlington, Virginia. The board's priority continues to focus on CARH's legislative efforts, particularly in the area of additional funding for affordable housing programs as well as for the Housing Credit and Housing Bond programs.

On September 5th, the board met in the morning to discuss CARH's legislative priorities and received a legislative update and briefing. CARH board members agreed to continue to advocate for the highest priority issues as outlined in CARH's issue briefs. (CARH members can click here to download the relevant issue briefs.)

Board members then visited Capitol Hill and met with members of Congress and/or their staff from the following offices:

- **Senator Maria Cantwell (D-WA)**
- **Senator Mike Crapo (R-ID)**
- **Senator Michael Enzi (R-WY)**
- **Senator John Hoeven (R-ND)**
- **Senator Tim Scott (R-SC)**
- **Senator Debbie Stabenow (D-MI)**
- **Senator Todd Young (R-IN)**
- **Representative Carlos Curbello (R-FL-26th)**
- **Representative Brian Higgins (D-NY-26th)**
- **Representative Nina Lowey (D-NY-17th)**
- **Representative Kevin McCarthy (R-CA-23rd)**
- **Representative Rob Woodall (R-GA-7th)**

Representatives from the Board also met with staff from the House Financial Services Committee.

On September 6th, board members met with representatives of Rural Development's (RD), including Joel Baxley, Administrator, Rural Housing Service (RHS); Joyce Allen, Deputy Administrator, RHS; Nancie-Anne Bodell, Director Multifamily Housing Programs; CB Alonso, Director, Direct Loan Division; and Mike Steininger, Director, Guaranteed Loan Division. They also met with officials from the Department of Housing & Urban Development, Bob Iber, Senior Advisor, Office of Multifamily Programs; and Marta Juaniza.

The meeting with RD officials focused on the FY 2019 budget and possible CR; dual signature requirements on supervisory bank accounts; property allowable expenses; MPR update; update on the Section 538 program; maturing mortgages; national expansion of pilot program for rent incentives; income averaging; subordinate agreements; and regulatory reform.

The meeting with HUD focused on the status of contract renewals for regulatory reform; e-CNA status, including updates for submitting PCNA/CAN to HUD; FY 2019 budget proposals and possible CR; risk share update; RAD update; lead-based paint, and fair housing issues.

After these meetings, the board reviewed any outstanding recommendations from CARH's standing committees, appointed the Awards Committee, selected the location for CARH's 2020 Midyear Meeting, and reviewed various reports and issues. The next Board meeting will be on January 28th at CARH's 2019 Midyear Meeting in Key Largo, Florida.

For more information on CARH's Board of Directors, who represent all CARH members, please click here.

Boston Capital Invests in Multifamily Community for Families in Dulles, Virginia with Flatiron Partners

Boston Capital, a long-time CARH member, is investing in the construction of Stone Springs Apartments, a 128-unit apartment community for families in Dulles, Virginia. The developer partners include North Carolina-based Flatiron Partners, LLC, Van Metre Stone Springs Apartment Investment, LLC and Good Works LP. The development will be built with tax credit equity from the Low Income Housing Tax Credit (LIHTC) program. Loudoun County will provide a $3 million Housing Trust Fund loan. Located 25 miles west of Washington, DC, Stone Springs Apartments will serve families earning 60 percent or less of the Area Median Income (AMI).

Stone Springs Apartments will include 32 one-bedroom, 84 two-bedroom and 12 three-bedroom units in two four-story, newly-constructed, elevator-serviced buildings. Unit amenities will include central heating and air conditioning, refrigerators, dishwashers, microwave ovens, full-sized washers/dryers and ceiling fans. A 2,992-square foot clubhouse/office building will feature a community room, business center, fitness center, grilling area and a playground. The apartment community is well located with excellent access to the area's shopping, healthcare, employment, public schools, recreation, community services and secondary educational opportunities.

"Stone Springs Apartments, our fifth investment with Hollis Fitch and Charles Irick of Flatiron Partners, will bring high-quality affordable housing with great amenities to 128 families and individuals in Dulles, a suburb of Washington, D.C. with an expanding economy and significant population growth," said Jack Manning, president and CEO of Boston Capital. "A competitive amenity package and an ideal location near community services make this an especially favorable place for families to call home."

Stone Springs Apartments will be built with tax credit equity from the Low Income Housing Tax Credit (LIHTC). Boston Capital's investment in this development adds 128 affordable homes to its apartment portfolio. To date, Boston Capital has invested in nearly 16,000 affordable apartments in Virginia.

Flatiron Partners is a real estate development firm specializing in affordable housing. Based in Charlotte, the company works closely with local governments to meet housing needs and revitalization goals and is currently developing 12 affordable housing projects in the Carolinas, Georgia and Virginia. Flatiron and its affiliates have previously developed more than 40 communities in Florida, Maryland, North Carolina, South Carolina, Tennessee, Texas and Virginia. Flatiron Partners is owned by Fitch Irick Partners, one of the largest companies specializing in the development, management and ownership of affordable housing in the Southeast.

Boston Capital, headquartered in Boston, MA, is a real estate investment and advisory firm specializing in equity investments in affordable multifamily housing and market rate apartment communities. Boston Capital's holdings presently include more than 1,556 multifamily apartment properties in all 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands and Guam, constituting nearly 121,000 apartment homes with a development cost in excess of $19.6 billion. Boston Capital is one of the largest owners/investors of apartment properties in the United States.

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Safety Matters: Ins and Outs of Financing Rural CAHs

By Georgia Coffman and Cash Gill, Gill Group

Georgia Coffman

Cash Gill

The large number of rural hospital closures in the late 1980s and early 1990s had Congress in a scramble for a solution. This is where Critical Access Hospitals (CAHs) came into play. With CAHs in a small town or nearby, these small towns have a better chance of succeeding in the long run, as a hospital provides the necessary care, jobs and sense of peace from multiple viewpoints.

According to the American Hospital Association, CAHs represent more than two-thirds of all rural community hospitals. They are a vital part of rural communities, as they simultaneously keep residents safe and help the towns grow. CAHs are usually one of the top employers in rural areas. According to Chris Vukas, Director of Sunflower Development Group, "The benefits multiply as revenue is spent locally for housing, food and more." Vukas says, "CAHs receive enhanced funding for Medicare patients and receive the same reimbursement from other carriers as large hospitals do." He continues, "Even with the enhanced funding from Medicare, it usually takes tax subsidies to keep the hospitals solvent due to inefficiencies that exist in smaller settings." Indeed, rural towns tend to have less access to necessary resources. Vukas emphasizes the significance of CAHs in this regard. "There are eighty-four CAHs in Kansas, and most of them would not be here today without the enhanced funding from Medicare."

CAHs can be financed through a variety of methods, such as General Obligation Bonds, Revenue Bonds, USDA and contributions. USDA allocates annual budgets to local offices, and they determine the most appropriate projects. USDA's below market interest rates and 35-year repayment terms are extremely attractive compared to conventional financing. This is partly why USDA loans are highly sought after, which make them so competitive.

Because of this, most CAHs pursue other avenues as well. Vukas says, "Other options like the General Obligation or Revenue Bonds are usually less cumbersome but have higher rates and less attractive terms." Thus, there are advantages and disadvantages, but the good news is that there are options.

An issue, however, that rural communities often encounter is that they don't always have the necessary means to sustain these CAHs because of the model itself. According to Vukas, funding for CAHs is uniquely difficult to secure because their models require 100% reimbursements. This often discourages investments in such projects. He says, "The previous 'repeal and replace later' legislation creates a sense of anxiety within the lending community since CAHs are often collateralized by the cash they generate. CAHs are oftentimes quasi-governmental entities that can't be mortgaged."

While this does provide challenges, there is a positive side. "They also receive a portion of the local taxes in addition to normal insurance payments," Vukas says. "It's a combination of local taxes and enhanced funding from Medicare that helps CAHs maintain adequate cash flow."

Vukas and his team have seen the challenges and rewards firsthand with rural CAHs. They were recently involved in the expansion of the Rooks County Health Center in Plainville, Kansas. The $9.5 million project began in 2014 and completed Phase 1 of 2 in early 2017. Phase 1 opened a new MRI/Nuclear Medicine addition, and Phase 2 will provide a new Rehabilitation Center where the community can receive state-of-the-art care. "The hospital was able to raise over $1.5 million from individuals and foundations like the Dane G. Hansen Foundation, but limited availability of grant funds and large donor bases in rural areas required alternative fundraising strategies," according to Vukas. Rooks County had been in the process of arranging financing and planning the project for the last four years.

Once the scheduling part of the project and all the pieces of the puzzle were in place, the rest of the total needed was fulfilled through New Markets Tax Credits (NMTC's), USDA loans and federal grants. Not only were more jobs created with the new CAH, but the people also have access to the care they need. Access to sound healthcare through CAHs is again crucial to the success of rural towns as it provides relief, peace of mind and well-being for their residents.

While securing the necessary funds for a complex project such as the Rooks County CAH is often a difficult process, perhaps an even bigger issue with these project types is the lack of education. According to Vukas, many rural areas like Plainville do not have the proper knowledge of the different types of government funding available, let alone how to tackle the difficult task of applying for them.

This is especially so with NMTC's. Vukas says, "The State of Kansas ranks almost dead last in NMTC use, and there aren't many NMTC advisors working in the rural landscape." He goes on to say, "CAH administrators are savvy in fundraising and bond financing, but structuring the NMTC transaction with other financing like USDA Community Facilities can take creativity."

This is why education is a top priority. For firms like Sunflower Development Group, education is vital in helping rural communities become more familiar with these types of resources in order to complete pending projects. Vukas himself has completed dozens of presentations on the topic in rural areas all over Kansas, Oklahoma, Texas and Missouri. In his experience, clients need some convincing through multiple, detailed presentations to even consider NMTC's. One CEO even jokingly told Vukas, that "the NMTC structure felt like they were laundering money." That's how complex the structure can often be.

Sources like NMTC can be crucial in closing financing gaps for different projects in general, and especially CAHs. Without them, many rural communities would have to travel up to 100 miles to receive the most basic medical services. Although there are many challenges and risks when it comes to CAHs, those are outweighed by the benefits to the people in these communities.

For more information about Sunflower Development Group, please visit www.sunflowerkc.com.

For more information about Gill Group, please visit https://gillgroup.com.

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Gill Group, Inc. is a long-time Advisory Trustee member of CARH.

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Is There A Better Way To Measure Housing Affordability?

By Chris Herbert and Daniel McCue, Joint Center for Housing Studies, Harvard University

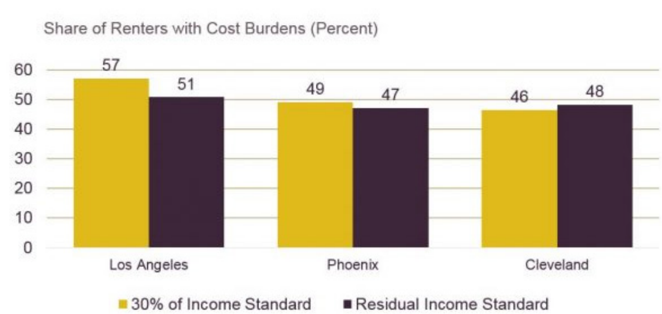
When the Joint Center for Housing Studies (JCHS) estimates the extent of housing affordability problems, they typically start by measuring the number and share of households paying more than 30 percent of their income for shelter. This widely used metric, which is the basis for analyses in our annual ***State of the Nation's Housing*** report, is based on the notion that, when spending on housing exceeds the 30-percent threshold, people don't have enough money left over to pay for life's other necessities.

But with housing affordability challenges at near-record levels, it is important to consider whether this long-used standard continues to be a reliable measure. This reassessment is particularly appropriate given the notable changes that have occurred over the decades in the relative costs of food, clothing, and other necessities, the growth in the number and share of one- and two-person households, and the increased frequency of burdens among moderate-income households that may have enough money left over for non-housing essentials even after paying 30 percent of their income on housing.

A new Joint Center working paper, along with Alexander Hermann, examines whether an alternative measure, based on the concept of residual income, would produce different assessments of the extent and incidence of housing affordability challenges. This alternative approach improves on the simple 30-percent standard by estimating the cost of "everything else" as a function of the number and ages of all household members. It then estimates how much income would be available to pay for housing if those other costs were fully covered.

The paper uses this approach to compare housing-burden rates under the two measures in three disparate metropolitan areas – Los Angeles (which has relatively high housing costs), Phoenix (which has moderate housing costs), and Cleveland (where costs are low). The exercise indicates that while there are some large differences in family types and income levels within each metro, the two measures produce very similar estimates of the rate and level of cost burden for each metropolitan area as a whole **(Figure 1)**.

FIGURE 1: THE RESIDUAL INCOME AND 30-PERCENT AFFORDABILITY STANDARDS PRODUCE SIMILAR SHARE OF COST BURDENED RENTERS IN THREE MARKETS



Sources: Harvard Joint Center for Housing Studies tabulations of data from US Census Bureau, American Community Survey 2015, Center for Women's Welfare self-sufficiency standards, Urban Institute and Brookings Tax Policy Center.

The paper concludes by noting that while these results suggest the residual-income approach provides a better sense of how cost burdens vary across household types and household incomes, the 30-percent-of-income standard continues to be a valid measure of housing affordability across time and between areas. It also cautions that, given the many underlying assumptions and estimates needed for essential non-housing expenditures, there continue to be major questions about the precision of the residual-income measure and the feasibility of creating and updating such estimates for the entire country.

The residual-income approach to housing affordability

The residual income approach starts by identifying key categories of essential spending, which include food, health care, transportation, and child care. In addition, the measure includes a small allowance for other necessary expenses, such as clothing and household goods, and incorporates estimates of income taxes owed (or tax credits received). This estimated basic level of consumption for a household differs according to the number – and type – of people living in a given household. For example, households with large numbers of young children, often have higher costs for health care, food, and child care.

Under the residual income approach, the estimated cost of these necessities is subtracted from a household's income. This calculation produces the amount – and share – of income that the household members can spend on housing and still have enough left over to cover other necessities. If households spend more on housing than the residual income approach indicates is feasible, they presumably cut back spending on other essential items.

In this framework, the share of income that can be devoted to housing is not a single standard, but rather varies depending on both the size and composition of the household and the level of household income. In general, larger households with more children will have more non-housing expenses and so can spend less on housing. Moreover, since the cost of everything else will represent a larger share of a household budget for those with lower incomes, the share of income that can be used for housing also rises as incomes increase.

For these and other reasons, the residual-income approach clearly offers the prospect of generating a more precise measurement of cost burdens for households than the rigid 30-percent standard. However, the precision comes with several downsides. To begin with, the precision is built on several assumptions about what constitutes a 'basic' level of consumption for a specific household and what these basics actually cost. Further, to allow for variations in the cost of living, the cost estimates have to be made on a market-by-market basis. And, if the measure is to serve as a useful indicator of changes in affordability over time, these estimates have to be regularly updated.

Comparing the results

Given these obstacles, it's important to ask: does the residual-income approach produce significantly different findings than the easier-to-use 30-percent-of-income standard? The paper answers this question by using the two approaches to develop cost-burden estimates for households of various types and income levels in the three metros mentioned (Los Angeles, Phoenix, and Cleveland).

This exercise produces four major findings:

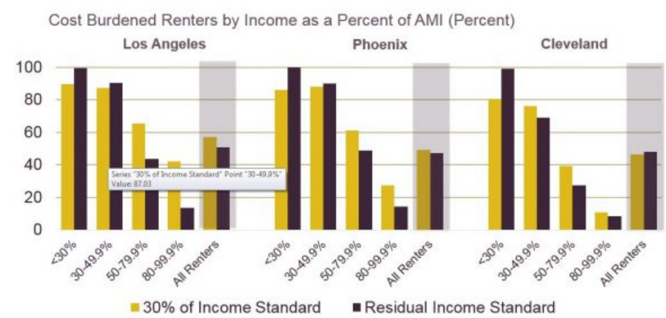
1. Overall burden rates and levels for the metro areas did not differ very widely. In the three areas studied the residual income approach dampened differences across markets but high-cost Los Angeles continued to have the highest cost-burden rates.

—continued on page 16

—continued from page 15

2. In general, under the residual-income approach, smaller households were less likely to be considered burdened while larger households were more likely to be burdened. Additionally, while there were some exceptions, lowest-income households were more likely to be burdened while higher-income households were less likely to be burdened under the residual-income approach **(Figure 2)**.

FIGURE 2: COMPARED TO THE 30-PERCENT STANDARD, THE RESIDUAL INCOME APPROACH SUGGESTS A HIGHER BURDENS FOR LOW-INCOME HOUSEHOLDS AND LOWER BURDENS FOR HIGHER-INCOME HOUSEHOLDS

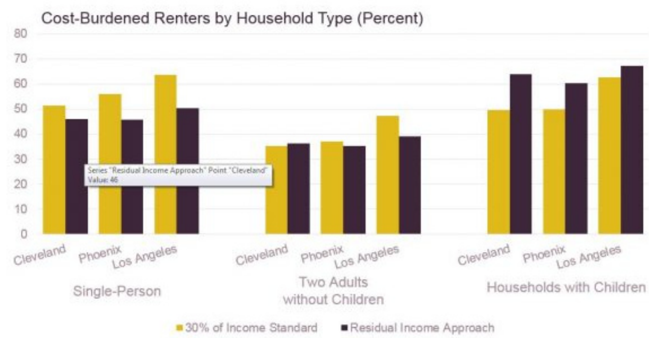


Sources: Harvard Joint Center for Housing Studies tabulations of data from US Census Bureau, American Community Survey 2015, Center for Women's Welfare self-sufficiency standards, Urban Institute and Brookings Tax Policy Center.

3. Regardless of household size, the lowest-income households were more likely to be burdened under the residual-income approach than under the 30-percent standard. Even single-person households, which were much less likely to be considered burdened under the residual-income approach overall, had higher burden rates at the lowest income levels.

4. Except for families with children, moderate- and higher-income households were less burdened under the residual income approach. With little exception, families with children were more likely to be burdened under the residual-income approach, regardless of income level **(Figure 3)**.

FIGURE 3: ACROSS THE THREE METROS, THE RESIDUAL INCOME APPROACH ALSO SUGGESTS HIGHER RATES FOR FAMILIES WITH CHILDREN AND LOWER BURDEN RATES FOR SINGLE-PERSON HOUSEHOLDS



Sources: Harvard Joint Center for Housing Studies tabulations of data from US Census Bureau, American Community Survey 2015, Center for Women's Welfare self-sufficiency standards, Urban Institute and Brookings Tax Policy Center.

In the end, this paper finds that, compared to the residual income measure, the 30-percent standard tends to overstate housing affordability challenges in high-cost markets and for higher-income and smaller households but yields similar results with respect to overall levels of affordability. Thus, given the simplicity of the 30-percent standard, it remains a reliable indicator of affordability both over time and across markets. However, the results also indicate that caution should be used in comparing affordability challenges across income levels or household types.

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Older Adults Increasingly Face Housing Affordability Challenges

By Jennifer Molinsky and Whitney Airgood-Obrycki, Joint Center for Housing Studies at Harvard University

Due to both population growth and soaring housing costs, the number of adults age 65 and over struggling to afford housing is growing. The number of cost-burdened older households – those spending more than 30 percent of their incomes on housing – dramatically increased between 2001 and 2016. And while many types of older households are cost burdened, the problem is particularly common among renters, the oldest households, and very-low income older households.

The number of cost-burdened older adult households reached a high of 9.7 million in 2016, up from 6.5 million in 2001. This new peak includes 4.9 million severely cost-burdened households (those spending over half of their income on housing). Some of the increase was due to the growth of 8.2 million older adult households from 2001 to 2016. However, the share of cost-burdened older households also increased from 30 percent in 2001 to 32 percent in 2016. The share of severely cost-burdened rose from about 14.5 to 16 percent over the same period.

The overall rates mask significant differences between homeowners and renters. About a quarter of all older adult homeowners are cost burdened, including 12 percent with severe burdens. Older adult homeowners who are still paying off their mortgages face higher rates of burden at 43 percent. Meanwhile, a full 54 percent of older adult renters are cost burdened, with 30 percent experiencing severe cost burden.

As a result of both income and rent changes in older age, severe housing cost burdens are more common among those in the oldest age group. While older adults generally have lower incomes than those of working age, incomes also continue to decline with age. According to data in the American Community Survey (ACS), while the median income in 2016 for homeowners aged 65-79 was $53,400, it was only $35,000 for those aged 80 and over. However, monthly housing costs for older homeowners also fell with age in 2016, decreasing from $726 for those 65-79 to $509 for those 80 and over, likely due to the higher rates of older owners who have paid off their mortgages. In contrast, renters tend to see their cost rise as they age. The median income for renters aged 65-79 was $23,600 in 2016, falling to $21,500 for those age 80 and over. Renters age 80 and over had median rents of $850, paying $50 more each month than those aged 65-79.

Cost burdens are particularly common among lower-income households, and the number of older households with very low incomes is growing rapidly. The Joint Center estimated in a **previous report** that if current income distributions hold, by 2035, the nation will have 7.6 million very low-income older households (making less than 50 percent of area median income), up from about 4 million households in 2015.

This growth is already visible in the rising numbers of older adults with worst case housing needs, defined by HUD as a very low-income household spending more than half of their income on housing and/or living in severely inadequate conditions. HUD's latest ***Worst Case Housing Needs* report** found that the number of older adult households with worst case needs increased by 382,000 households in 2013–2015, reaching 1.9 million.

For very low-income older adult households, rental housing assistance can help reduce cost burdens and provide quality housing. About three-quarters of very low-income older adult renters without assistance are cost burdened, compared to only 9 percent of those receiving HUD rental assistance. The incidence of severe burdens is also much lower among assisted older adult households at only 2 percent, compared to half of unassisted older adult renters with severe burdens.

But at current funding levels, rental housing assistance is a limited resource. While 35 percent of all assisted households are older (with a household head or spouse age 62 or over, the age of eligibility for federal programs for older adults), only a third of very low-income older adult renters receive assistance. The lack of assistance is not unique to older households; indeed, only 25 percent of income-eligible families with children were assisted in 2015. These shares are both down from 2013, with the share of assisted older adults falling by 2.1 percentage points and the share of families with children down 1.4 percentage points.

As the older population grows, we can anticipate rising numbers of older adults with worst case housing needs. Continuing to serve just a third of those eligible for assistance will be challenging, and doing so will leave an increasing number without subsidies seeking housing on the private market. Yet redistributing limited resources to serve more older adults would be a disservice to other vulnerable households that are also growing in number and need, including those with children. Expanding the overall federal allocations for assistance is vital to ensure that all generations have access to affordable, adequate housing.

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Affordable Housing Headlines

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The CARH News

If you have questions, comments, suggestions, or submissions for the CARH News, please contact Tamara Schultz, Membership Manager, at tschultz@carh.org or 703-837-9001.

HUD and Census Bureau Release New American Housing Survey

Renters are three times more likely to need financial assistance to evacuate during a major disaster than those who own their own homes. That's according to the new 2017 American Housing Survey (AHS) released today by the U.S. Department of Housing and Urban Development (HUD), the U.S. Census Bureau, and the Federal Emergency Management Agency (FEMA).

The new survey finds that of the nearly 44 million American renter households, approximately 39 percent indicated they do not have access to $2,000 to cover evacuation expenses. Meanwhile, only 12 percent of 77.3 million owner households reported they did not have access to $2,000 to pay for their family's evacuation.

Each year, HUD and the Census Bureau produce the American Housing Survey (AHS), the most comprehensive analysis of the nation's housing inventory. The AHS covers a variety of "core" housing topics, including the composition and quality of the nation's housing inventory, mortgages and other housing costs, and neighborhood conditions.

For the second time in five years, HUD and FEMA teamed up to add questions related to households' disaster preparedness. The questions cover several aspects of disaster preparedness, including whether households need help evacuating pets—more than 13 million households said "yes." When households were asked to name their first source of emergency information during a disaster, a nearly equal number of households said "television" (37.9 million) and "internet" (37.4 million).

"For nearly 45 years, the American Housing Survey has been America's premier source of data on housing costs and quality," said HUD Deputy Secretary Pamela Hughes Patenaude. "In collaboration with FEMA, we have added disaster preparedness questions to this survey to better understand the challenges that households face as they prepare for and respond to disasters." September is National Preparedness Month, an opportunity to remind Americans to prepare their families for when disaster strikes. This National Preparedness Month will focus on planning, with the central theme: *Disasters Happen. Prepare Now. Learn How.*

"We welcome our partnership with HUD and this new data from the American Housing Survey. This report underscores the need to prepare for the hazards we may face at any time," said FEMA's Deputy Administrator for Resilience, Dr. Daniel Kaniewski. "During National Preparedness Month, FEMA is encouraging individuals, families, and communities to start preparing. People with an emergency plan in place, a little emergency savings in the bank, and the right insurance coverage will bounce back much quicker following a disaster."

The 2017 American Housing Survey includes questions that allow researchers to track changes in key disaster preparedness measures compared to 2013. For example, approximately 4.4 million more households indicated they had an emergency evacuation kit in 2017 compared to 2013.

Other national findings among the 121.2 million occupied housing units surveyed include:

Disaster Preparedness

- About 81.3 percent of households report they have enough non-perishable food for at least three days, although only 58.6 percent report they have at least three gallons or 24 bottles of water per person.
- Of the 88.0 million households with 2-or-more persons, 36.5 percent reported they have an agreed-upon meeting location in the event of an evacuation and 26.4 percent reported they have a communication plan if cell service is disrupted.
- About 80.7 percent of all households reported they would have access to vital financial information in the event of a disaster.
- More than 77.3 million households indicated that if they were evacuated for two or more weeks, the most likely place they would stay would be with relatives or friends. About 27.9 million households said the most likely places they would stay is a hotel or motel.

Housing Quality

- More than 15 million households, or 12.6 percent of all households, reported seeing signs of cockroaches in their home in the last 12 months. A much larger share of renters (17.9 percent) than owners (9.6 percent) reported seeing cockroaches.
- About 3.8 million households, or 3.1 percent of all households, reported signs of mold in their home in the last 12 months. Renters (4.7 percent) are more than twice as likely as owners (2.2 percent) to report signs of mold.

Housing Costs

- More than half (50.8 percent) of renter households spend 30 percent or more of their income on housing costs.
- The median rent was $850 per month while the median mortgage cost was $900.
- The median total cost of utilities was $202. The median cost for electricity was $106 per month and the median cost of water was $50 per month.

Owner Home Improvement

- In a typical year, owners spent a median of $500 on routine maintenance or regular maintenance activities necessary for the preventive care of the structure, property and equipment. Such activities included painting, fixing leaks, repairing fences, cleaning gutters and removing dangerous trees.
- There were 43.8 million households that performed 113 million home improvement projects, other than routine maintenance, in the last two years, spending more than $449.4 billion, with a median of $1,350 per job.
- Of the owner-occupied units completing home improvement projects, about 30.8 percent did at least one project for energy efficiency purposes; 6.7 percent did at least one project to improve accessibility for an elderly person or a person with a disability, and 3.8 percent did at least one project to prepare the home for sale.

Neighborhood Characteristics

- About 16.4 percent of households report their neighborhood has a lot of petty crime. Renters (23.5 percent) were almost twice as likely as owners (12.3 percent) to report their neighborhood has a lot of petty crime.
- About 7.6 percent of households report their neighborhood is at high risk for flood or other disasters.
- Of the 64.1 million occupied housing units in subdivisions (including apartments and groups of mobile homes), 14.4 percent are located in secured communities with walls or fences, comprising 7.6 percent of all occupied units.

The AHS includes summary tables and microdata for the nation and for the 15 largest metropolitan areas:

1. New York-Newark-Jersey City, NY-NJ-PA
2. Los Angeles-Long Beach-Anaheim, CA

—*continued on page 22*

—continued from page 21

3. Chicago-Naperville-Elgin, IL-IN-WI
4. Dallas-Fort Worth-Arlington, TX
5. Houston-The Woodlands-Sugar Land, TX
6. Washington-Arlington-Alexandria, DC-VA-MD-WV
7. Philadelphia-Camden-Wilmington, PA-NJ-DE-MD
8. Miami-Fort Lauderdale-West Palm Beach, FL
9. Atlanta-Sandy Springs-Roswell, GA
10. Boston-Cambridge-Newton, MA-NH
11. San Francisco-Oakland-Hayward, CA
12. Phoenix-Mesa-Scottsdale, AZ
13. Riverside-San Bernardino-Ontario, CA
14. Detroit-Warren-Dearborn, MI
15. Seattle-Tacoma-Bellevue, WA

Later this year, HUD and Census will release data for an additional 10 large metropolitan areas and nine states, as well as data on topics such as evictions, difficulty paying rent, mortgages, and utility bills, and commuting costs.

2017 AHS provides insight on disaster preparedness, housing and neighborhoods. For more information on the AHS, click here.

Re-printed from www.hud.gov.

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The *Electronic AN Express* contains key excerpts from the *Federal Register,* RD Administrative and Procedural Notices, Unnumbered Letters, HUD Housing Notices and other regulatory notices relevant to the affordable housing industry. The *Electronic AN Express* is emailed directly to our subscribers the same day they are released. Instead of having to go through pages and pages of reports, you get just the information you need as soon as it is available.

The *Federal Register*, known as the daily newspaper of the Federal government, is a legal newspaper published every day by the National Archives and Records Administration (NARA). It contains:

- Federal Agency Regulations
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- Executive Orders
- Proclamations

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314-726-6868
www.rosenblumgoldenhersh.com
Contact: David S. Lang
dlang@rgsz.com

Villa Rica Housing Authority
PO Box 665, Villa Rica, GA 30180
770-456-4946
Contacts:
Richard Chambers: vrha@mindspring.com
Penny Padgett: ppadgett@mindspring.com

Disaster Housing Recovery Update

Provided by the National Low-Income Housing Coalition (NLIHC)

HURRICANE FLORENCE

North Carolina

FEMA

- FEMA has approved 10,417 Individual Assistance (IA) applications and $33.24 million total for Individual and Households programs (IHP). Dollars or applications approved does not necessarily mean money has been distributed.
- Three Mobile Registration Intake Centers are open through September 29 in New Hanover, Craven and Carteret counties.

State Government

The North Carolina Department of Public Safety reports that 1,550 people remain in 22 shelters.

Photo by Steve Helber, AP

South Carolina

FEMA

- FEMA has approved 473 Individual Assistance (IA) applications and $900,760 total for Individual and Households programs (IHP). Dollars or applications approved does not necessarily mean money has been distributed.
- Survivors in Chesterfield County are now eligible to apply for Individual Assistance.

State Government

- Hurricane survivors facing legal issues and unable to afford a lawyer may call the South Carolina Bar disaster Hotline at **1-877-797-2227 ext. 120 (toll-free)** or **(803) 576-3815** between 9 a.m. and 5 p.m., Monday through Friday, to request assistance. When connected to the hotline, callers should identify that they are seeking disaster-related legal assistance, brief details of the assistance needed and in which disaster-declared county they are located. You can also sign up to help with the hotline here.
- South Carolina Legal Services provides free legal assistance to low income South Carolinians on a variety of civil issues including disaster recovery. Apply by calling (888) 346-5592 or online at https://www.lawhelp.org/sc/online-intake.
- The One SC Fund provides grants to nonprofits that provide recovery and rebuilding assistance.
- South Carolina Appleseed has a resource page on their website that provides information on disaster recovery.
- Hurricane Florence has caused rivers across South Carolina to reach record-high levels, flooding thousands of homes across the state.

Photo by Chris Seward, AP

2017 Disasters

Federal Response

Congress

- The National Low Income Housing Coalition (NLIHC) and the Disaster Housing Recovery Coalition sent a letter to Congress on Monday September 24 outlining concerns with the FAA Authorization Bill, which contains several disaster-related provisions. While the letter expresses appreciation for Congress's timely response to the needs of survivors of Hurricane Florence, it highlights concerns about the bill's failure to activate the Disaster Housing Assistance Program (DHAP) and the inclusion of harmful provisions that undermine a fair and equitable recovery for low income survivors. NLIHC also sent a Call-To-Action, urging housing organizations, advocates, and disaster survivors to contact their congressional representatives to ensure the bill meets the needs of low income survivors. Review NLIHC's top 10 priorities for disaster recovery in the 2018 spending bills as well as recommendations for Congress, FEMA, and HUD, respectively.
- Representatives Nancy Pelosi (D-CA), Nydia M. Velazquez (D-NY), Sheila Jackson Lee (D-TX), and Stacey Plaskett (D-VI) held a press conference on September 14 where they discussed the unfinished business of hurricane recovery in Puerto Rico and the U.S. Virgin Islands. Read the full remarks here.

State Action

- Rebuild Florida, a partnership between the Florida Department of Economic Opportunity (DEO) and HUD, is now accepting applications for the Housing Repair and Replacement Program. The program targets assistance to low and moderate income families by limiting eligibility to households with annual gross income that does not exceed 80% of the area median income, adjusted for family size. Qualifying properties include homes occupied by homeowners or renters located within the designated list of Most Impacted and Distressed Communities. The Florida DEO addresses some basic information about the Program here.
- The Puerto Rico Department of Housing and the Central Office for Recovery, Reconstruction, and Resiliency released a draft of the Substantial Amendment to the Puerto Rico Disaster Recovery Action Plans for distributing CDBG-DR funds. The draft amendment requests an additional allocation of $8.2 billion to address unmet needs for long-term recovery from the effects of the 2017 disasters. HUD requirements are available in the August 14, 2018 *Federal Register*. The announcement (en español) from the Puerto Rico Department of Housing includes locations, dates, and times for upcoming public hearings on the Substantial Amendment draft. Comments from the public are being accepted now through October 21, 2018 and can be submitted online at http://www.cdbg-dr.pr.gov/contact/, via telephone

—continued on page 26

—continued from page 25

to (787) 274-2527, by email to infoCDBG@vivienda.pr.gov, or in writing to Puerto Rico CDBG-DR Program, P.O. Box 21365, San Juan, PR 00928-1365.

- The California Department of Housing and Community Development (HCD) announced that it will hold a series of meetings between October 2 and October 11 in five communities across the state to discuss proposed recovery programs, program eligibility, and timelines for funding. A factsheet detailing the state's plan for deploying CDBG-DR funds is available online.

Local Perspectives

- According to reporting from the *New York Times*, disaster recovery efforts in Puerto Rico failed to take into account the poverty that affected the island before the storm. The article highlights stories of residents in Punta Santiago who continue living in uninhabitable, unsanitary, and unsafe homes. Additionally, FEMA's efforts in Puerto Rico are compared with disaster recovery efforts in Texas, where "FEMA spent nearly twice as much for housing repair grants . . . though the money went to 51,000 fewer people."
- DHRC partner Adi Martinez of Fundación Fondo de Acceso a la Justicia was quoted in the *Miami Herald* and the New York Daily News. Both articles provide information on how federal aid has been denied to residents of Puerto Rico based on regulations that require recipients to provide a title or deed to prove property or home ownership. Many Puerto Rican residents do not have formal documents for their owned property, and so these residents have been denied FEMA assistance.
- A story by Orlando-based NPR affiliate WMFE detailed the experiences of Hurricane Maria evacuees from Puerto Rico—now located in Florida, who were evicted from their hotels after a U.S. District Court Judge ordered the FEMA Transitional Sheltering Assistance (TSA) Program to end on September 13. According to the article, central Florida's stock of affordable housing is limited, and survivors are struggling to identify available units.
- A blog post by DHRC member Texas Housers describes the ongoing housing challenges facing the low-income, majority African American neighborhood of Charlton Pollard, which was impacted by hurricanes Rita and Ike. The post compares Charlton Pollard's experience to the ongoing recovery process of low-income communities in Texas affected by Hurricane Harvey.
- The National Bureau of Economic Research published a paper last year that analyzed 90 years of natural disaster data. It identified an average increase of 1% in a county's poverty rate post-disaster when those with resources leave; and those without, go deeper into poverty.

Re-printed from www.nlihc.org. For the latest update, click here.

How to Help Hurricane Florence Victims in the Carolinas

For CARH News readers who would like to donate to those who have been affected by Hurricane Florence in the Carolinas, below are a couple of great organizations through which you can donate.

NCCF Disaster Relief Fund

The North Carolina Community Foundation (NCCF) reactivated its Disaster Relief Fund to support recovery efforts related to Hurricane Florence in the state.

Please join us

NCCF provides a unique option to give to a statewide organization with decades of experience in disaster recovery work that focuses on the long-term. The affiliate foundations and statewide grants committee will work to ensure that all donations are distributed to nonprofits that can best serve unmet needs in affected communities.

Help get NC back on its feet.

Donations can be made online through the NCCF website by clicking here.

Or checks can be mailed to:

NCCF
3737 Glenwood Ave.
Suite 460
Raleigh, NC 27612.

Please designate your gift for "Disaster Relief" or include a contribution form. Please call 919-828-4387 or 800-532-1349 if you need assistance with donations.

All contributions are tax-deductible, and no portion of the NCCF Disaster Relief Fund will be used for administrative or operational expenses. For more information, please visit www.nccommunityfoundation.org/ or contact the NCCF headquarters in Raleigh at 919-828-4387 or 800-532-1349 or via email at info@nccommunityfoundation.org.

Helping South Carolina Through CCF

Coastal Community Foundation of South Carolina has an established Disaster Relief Fund. This fund remains open throughout the year. The fund is designed to support long-term recovery efforts as well as immediate relief efforts.

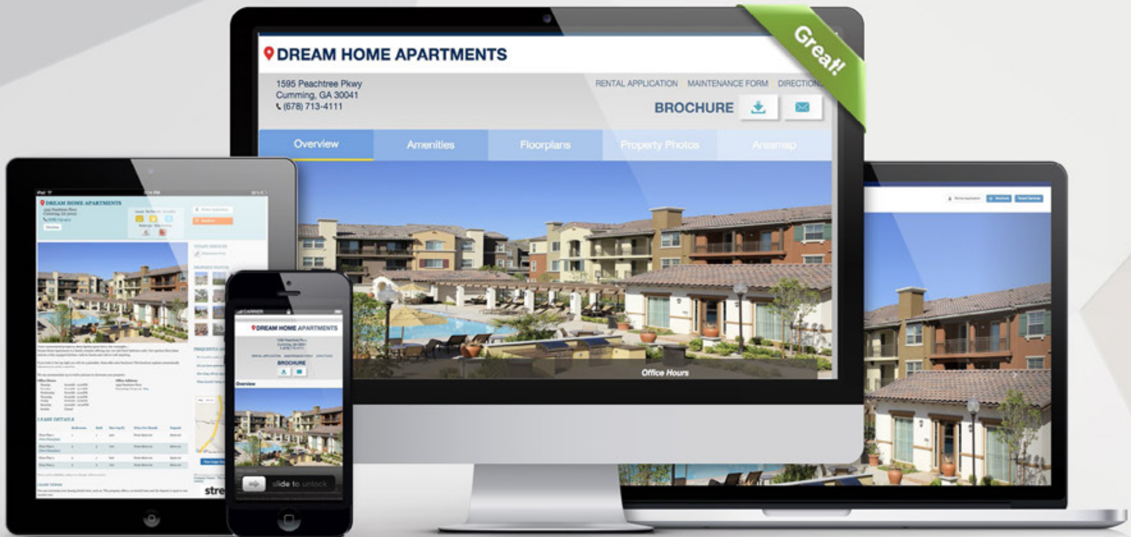
- Donate Online at www.coastalcommunityfoundation.org/disasterrelief.

CARH MEMBERS:

Remember to visit www.carh.org where you'll find the "Resources" and "Members Only" sections "Helpful Links" and "Forms and Other Best Practices." These sections of the website contain valuable information that CARH provides exclusively for members!

streamroll

Helping Affordable Housing Professionals Succeed Online



Online Statistics you should know

- NARealtors study reports **90%** of apartment hunters start their search online *1
- **78%** of apartment hunters visit a community's website before contacting the office *2

Stats from Streamroll's network of 500+ affordable housing apartment websites *3

- Apartment hunters are most active online between 10am and 2pm, Monday and Tuesday
- **53%** of apartment website visitors are referred by Google
- **59%** of apartment website visitors referred by Google use the city name in the search
- **62%** of apartment website visitors use a smart phone
- **85%** of apartment website visitors immediately go to the floor plans pages, then photos
- **18%** of apartment website visitors download leasing applications
- **11%** of apartment website visitors share listing information with friends and family

What does this mean for my apartment community?

It is more important than ever to have a dedicated mobile capable website for each apartment community that ranks high in Google, with floor plans, photos, and applications.

Contact Streamroll today

ACT NOW!

Sources:
*1 - National Association of REALTORS' 2013 "Study-Digital-House-Hunt"
*2 – SatisFacts Research's 2015 "Today's Online Renter"
*3 – Streamroll apartment community network of sites 01/2015 to 12/2015

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CARH'S Legislative Update

President Trump released his FY 2019 budget proposal on February 12, 2018. The House Appropriations Committee approved the USDA appropriations bill on May 13 and the HUD appropriations bill on May 23. The Senate Appropriations Committee approved the USDA bill on May 24 and the HUD bill on June 8. On August 1, the Senate passed H.R. 6147 - a four bill "minibus" appropriations legislation. On September 28, the president signed a Continuing Resolution (CR) to keep the government funded through December 7. CARH will update this chart throughout the year.

SUBJECT	ADMINISTRATION'S PROPOSAL	CARH'S POSITION
Section 515 Rural Rental Housing Program	FY19: The Trump Administration proposed elimination of the Section 515 program.	CARH strongly opposes the proposed elimination of the program and supports a minimum funding level of $40 million.
Section 521 Rental Assistance Program (1-year contracts)	FY19: The Trump Administration proposed $1.351 billion for Section 521. The voucher program would be funded under the RA account.	CARH strongly opposes the proposed funding level and supports a minimum funding level of $1.405 billion. CARH continues to support hearings on a host of programs administered by RHS.
Section 538 Guaranteed Rural Rental Housing Loan Program	FY19: The Trump Administration proposed $250 million for Section 538.	CARH supports the request of $250 million.
Enhancements to Low Income Housing Tax Credit (Housing Credit)	The Protecting Americans from Tax Hikes Act (PATH) of 2015 permanently extended the minimum 9 percent Housing Credit rate for new construction and substantial rehabilitation.	The Protecting Americans from Tax Hikes Act (PATH) of 2015 did not establish a minimum 4 percent credit rate for acquisitions. CARH supports this minimum rate. CARH also supports efforts of the ACTION campaign for a Housing Credit cap increase.
Section 502 Direct Loans	FY19: The Trump Administration proposed elimination of the Section 502 Direct Loan program.	CARH strongly opposes the elimination of the program and supports a minimum funding level of $1.1 billion.
Section 502 Guaranteed Loans	FY19: The Trump Administration proposed $24 billion for Section 502 Guaranteed Loans.	CARH supports the request of $24 billion.
Multifamily Preservation and Revitalization (MPR) Program	FY19: The Trump Administration proposed elimination of the MPR program.	CARH strongly opposes the elimination of the program and supports a minimum funding level of $25 million and $28 million for vouchers.
HOME	FY19: The Trump Administration proposed elimination of the HOME program.	CARH strongly opposes the elimination of the program and supports a funding level of $1.362 billion.
Section 8 (Project Based Rental Assistance)	FY19: The Trump Administration proposed $11.147 billion for Section 8.	CARH supports the FY 2018 funding level of $11.515 billion.
Section 8 (Tenant Based Rental Assistance (Vouchers)	FY19: The Trump Administration proposed $20.55 billion for Section 8 Vouchers.	CARH supports a minimum funding level of $22.015 billion.
Community Development Fund (CDBG)	FY19: The Trump Administration proposed elimination of the CDBG program.	CARH strongly opposes the elimination of the program and supports a minimum funding level of $3.365 billion.
Public Housing Capital Fund	FY19: The Trump Administration proposed elimination of the Public Housing Capital Fund, however Emergency/Disaster Grants and Jobs-Plus Pilot would be funded at $10 million each under the Public Housing Operating Fund.	CARH strongly oppose the elimination of this fund and supports a minimum funding level of $2.75 billion.
Public Housing Operating Fund	FY19: The Trump Administration proposed $3.279 billion for the Public Housing Operating Fund.	CARH supports a minimum funding level of $4.55 billion.

HOUSE ACTION	SENATE ACTION	CONFERENCE/FINAL ACTION
H.R. 5961 provides $40 million in funding.	S. 2976 provides $40 million in funding.	N/A
H.R. 5961 provides $1.331 billion, of which $40 million can be carried forward.	S. 2976 provides $1.331 billion in funding.	N/A
H.R. 5961 provides $230 million in funding.	S. 2976 provides $230 million in funding	N/A
H.R. 1661 was introduced by Representatives Curbelo (R-FL) and Neal (D-MA) on March 21, 2017, which is similar to S. 548. However, H.R. 1661 does not provide for an increase to the annual allocation for Housing Credits by 50%. Additionally, energy provisons regarding not reducing Housing Credit basis only includes Section 48 investment tax credits, not the Section 45L credit or Section 179D deduction that is included in S. 548. On October 31, Representative Suzan DelBene introduced legislation that would increase the Housing Credit allocation by 50%.	S. 548 was introduced by Senators Cantwell (D-WA) and Hatch (R-UT) on March 7, 2017, and establishes a minimum 4% credit rate, allows income-averaging, modifies student occupancy rules, allows states to grant a 30% basis boost if necessary to make project financially feasible and renames to the Affordable Housing Tax Credit.	N/A
H.R. 5961 provides $1 billion in funding.	S. 2976 provides $1.1 billion in funding.	N/A
H.R. 5961 provides $24 billion in funding.	S. 2976 provides $24 billion in funding.	N/A
H.R. 5961 provides $25 million in funding for MPR and $28 million for vouchers.	S. 2976 provides $24 million in funding for MPR and $26 million for vouchers.	N/A
H.R. 6072 provides $1.2 billion in funding.	S. 3023 provides $1.362 billion in funding.	N/A
H.R. 6072 provides $11.347 billion in funding.	S. 3023 provides $11.747 billion in funding.	N/A
H.R. 6072 provides $22.476 billion in funding.	S. 3023 provides $22.781 billion in funding.	N/A
H.R. 6072 provides $3.365 billion in funding.	S. 3023 provides $3.365 billion in funding.	N/A
H.R. 6072 provides $2.75 billion in funding.	S. 3023 provides $2.775 billion in funding.	N/A
H.R. 6072 provides $4.55 billion in funding.	S. 3023 provides $4.756 billion in funding.	N/A

Upcoming Meetings

NATIONAL CARH MEETINGS

2019 Midyear Meeting

CARH's 2019 Midyear Meeting will be held on Monday, January 28 – Wednesday, January 30, 2019, at The Ocean Reef Club in Key Largo, Florida. The 2018 Harry L. Tomlinson, Member of the Year, and State Affiliated Association of the Year Awards will be presented.

2019 Annual Meeting & Legislative Conference

CARH's Annual Meeting & Legislative Conference will be held Monday, June 24-Wednesday, June 26, 2019, at the Ritz-Carlton Pentagon City in Arlington, Virginia. The winners of the CARH Scholarship Foundation's 2019 Scholarships and Rural Development's Site Managers and Maintenance Person of the Year will be honored during this conference.

Save the Dates for Upcoming National CARH Meetings

2020 Midyear Meeting – New Orleans, LA – January 27-29, 2020

2020 Annual Meeting & Legislative Conference – Arlington, VA – June 22-24, 2020

2021 Annual Meeting & Legislative Conference –Arlington, VA – June 21-23, 2021

STATE AFFILIATED ASSOCIATION AND PARTNER MEETINGS FOR 2018

AHAIN Affordable Housing Conference and Annual Meeting

10/17-18/2018

The Affordable Housing Association of Indiana (AHAIN) will host its 2018 Affordable Housing Conference and Annual Meeting on October 17-18, 2018, at the Embassy Suites by Hilton Noblesville/Indianapolis Conference Center in Noblesville, Indiana. Contact Charyl Luth at 260-724-6492 or cluth@inaha.org for more information, or visit www.inaha.org.

HAM Annual Convention and Training Seminar

10/24-26/2018

The Housing Association of Mississippi (HAM) will host its 2018 Annual Convention and Training Seminar on October 24-26, 2018, at the Beau Rivage Resort & Casino in Biloxi, Mississippi. Please contact Ettie Pittman at 601-955-2942 or housingms@yahoo.com for more information. Or, visit www.ham-inc.org.

WI-CARH 21st Annual Conference

11/8/2018

The Wisconsin Council for Affordable and Rural Housing (WI-CARH) will host its 21st Annual Conference on November 8, 2018, at the Kalahari Resort & Convention Center in Wisconsin Dells, Wisconsin. Please contact Diane Hamm at 608-437-2300 or info@wicarh.org for more information. Or, visit www.wicarh.org.

TAAH Annual State Conference

11/14-16/2018

The Tennessee Association of Affordable Housing, Inc. (TAAH) will host its Annual State Conference on November 14-16, 2018, at the Embassy Suites in Franklin, Tennessee. Contact Beverly Thaxton at 615-642-3973 or admin@taah.org for more information. Or, visit www.taah.org.

STATE AFFILIATED ASSOCIATION AND PARTNER MEETINGS FOR 2019

CCAH Annual Meeting

4/28-30/2019

The Carolinas Council for Affordable Housing (CCAH) will host its Annual Meeting on April 28-30, 2019, at the Marriott Grand Dunes in Myrtle Beach, South Carolina. Contact Jill Odom at 919-529-4937 or ccahboard@aol.com for more information. Or visit www.ccahonline.com.

VCARH Annual Meeting

5/19-21/2019

The Virginia Council for Affordable and Rural Housing (VCARH) will host its Annual Meeting on May 19-21, 2019, at The Madison Hotel in Harrisonburg, Virginia. Contact Sandra Lux at 804-674-5162 or vcarh@comcast.net for more information. Or visit www.vcarh.org.

AAHA Annual Conference

5/22-25/2019

The Alabama Affordable Housing Association (AAHA) will host its Annual Conference on May 22-25, 2019, at the Holton Sandestin Beach Golf Resort & Spa in Destin, Florida. Contact Arrice Faught at 205-331-8668 or arrice@theaaha.org for more information. Or visit www.theaaha.org.

Ohio Rural Housing Conference

9/9-11/2019

The Council for Rural Housing & Development of Ohio is hosting the Ohio Rural Housing Conference on September 9-11, 2019, at the DoubleTree Cleveland Downtown in Cleveland, Ohio. Contact Pat Richards at 614-470-4260 or office@crhdo.org for more information. Or, visit www.crhdo.org.

MOCARH Annual Conference & Vendor Fair

9/30 – 10/2/2019

The Missouri Council for Affordable and Rural Housing (MOCARH) will host its Annual Conference & Vendor Fair on September 30 – October 2, 2019, at the Branson Convention Center in Branson, Missouri. Contact Sonja Bennett at 816-679-4581 or executivedirector.mocarh@gmail.com for more information. Or visit www.mocarh.org.

REGISTRATION FORM

Council for Affordable and Rural Housing

2019 Midyear Meeting

Monday, January 28 - Wednesday, January 30

Ocean Reef Resort • Key Largo • Florida

Name *-- (Please complete one form for EACH registered attendee)* ***Title***

Company/Organization

Street Address

City ***State*** ***Zip***

Telephone ***Fax***

E-mail ***Website***

Guest(s) Name(s)

How would you best describe your company? ☐ **Developer** ☐ **Manager** ☐ **Owner** ☐ **Syndicator/Equity Financier**

☐ **Vendor/Supplier** ☐ **CARH State Affiliated Association Executive** ☐ **Other (please describe)**

REGISTRATION FEES	By Nov 9	By Dec 7	After Jan 4	
Advisory Trustee (first registration free):				
2 or more attendees (per person)	$570	$620	$660	$
Associate Plus (first registration free):				
2 or more attendees (per person)	$630	$680	$730	$
Basic Plus Member:				
1 or 2 attendees (per person)	$690	$740	$790	$
3 or more attendees (per person)	$650	$700	$750	$
Associate or Basic Member:				
1 or 2 attendees (per person)	$740	$790	$840	$
3 or more attendees (per person)	$700	$750	$800	$
State Affiliated Assn. Member:				
1 or 2 attendees (per person)	$780	$830	$880	$
3 or more attendees (per person)	$740	$790	$840	$
Exhibitor's Table + 1 Member Attendee:	$830	$880	$930	$
Each additional exhibitor attendee	$700	$750	$800	$
Non-Member:				
1-2 attendees (per person) (non-exhibitor)	$1,150	$1,250	$1,350	$
3 or more attendees (per person)	$1,000	$1,050	$1,100	$
Exhibitor's Table + 1 attendee	$1,450	$1,650	$1,850	$
Each additional exhibitor attendee	$950	$1,050	$1,150	$
Government Employee:	$590	$600	$620	$
Additional Guest Registration Fees:				
Monday, January 28 - ***Opening Reception***	$85	$85	$85	$
Tuesday, January 29 - ***Awards Reception***	$85	$85	$85	$
(Receptions included in registration fee. Complete section only for additional guests.)			**TOTAL**	**$**

HOTEL INFORMATION

CARH's Midyear Meeting will be held at the Ocean Reef Resort in Key Largo, Florida. Hotel reservations MUST be made or changed online at https://book.passkey.com/e/15982607. (Link is also available on CARH's website.) **To receive discounted accomodation rates, your online reservation must be booked no later than Friday, January 4, 2019.**

Visit www.CARH.org to Become a Meeting Sponsor

CANCELLATION/REFUND POLICY

Cancellations must be made via email to **emarecheau@carh.org**. A $35 fee will be charged for registration cancellations received by 5 p.m., Friday, January 11, 2019. $110 will be deducted from cancellations received after that date. Absolutely no refunds will be given after 5 p.m. on Thursday, January 24, 2019, or to registrants who fail to attend the program. An additional $85 will be assessed on all at-door registrations.

To pay by credit card, complete the section below. Or, make check payable to CARH. Send form and payment to:

Council for Affordable and Rural Housing
116 S. Fayette Street
Alexandria, VA 22314
703-837-9001 ~ 703-837-8467 (fax)
carh@carh.org ● www.carh.org

To pay by credit card, complete the following:

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CARH news

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The Council for Affordable and Rural Housing (CARH) is a non-profit association that was founded in 1980. For over 35 years, CARH has served as the nation's leading advocate for the financing, development, and management of affordable rural housing. There is no other association that solely represents the needs of the rural housing industry and its participants, which include owners, developers, managers, non-profits, housing authorities, syndicators, accountants, architects, attorneys, bankers, and vendors to the industry. For more information about the benefits CARH provides to its members, including savings, networking, continued education, resources, and meetings, please visit www.carh.org.

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CARH news

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