

The Preservation Guide

Federal Housing and Homelessness Plans: Potential Tools in the Affordable Housing Preservation Toolbox



National Low Income Housing Coalition
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Established in 1974 by Cushing N. Dolbeare, the National Low Income Housing Coalition is dedicated solely to ending America's affordable housing crisis. NLIHC educates, organizes and advocates to ensure decent, affordable housing within healthy neighborhoods for everyone. NLIHC provides up-to-date information, formulates policy, and educates the public on housing needs and the strategies for solutions. Visit us online at www.nlihc.org

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Introduction

This Guide is designed to help you, as a resident or advocate for affordable housing issues, learn how you can work locally to help save, or preserve, federally assisted and public housing units that would otherwise be demolished or converted to market-rate housing. The first part of the Guide - chapters 1 through 4 - will give you the information you need to participate in your community's federal planning processes, to ensure that these local plans address the need to preserve federally subsidized and public housing. The second part of the Guide - chapter 5 - will help your local community create a Preservation Database that can help track federally assisted housing in your community on an ongoing basis.

The preservation of federally assisted housing is important because federal resources for the construction of new public and assisted housing available to extremely low income people have been virtually eliminated, so maintaining previous years' federal investment in affordable housing is critical.¹ In addition, it is less expensive to preserve units than to build new ones, and preservation relies on existing buildings and supporting infrastructure, thereby having less harmful impact on the environment.

For privately owned, assisted housing in weak markets, the loss of affordable units is often due to physical deterioration that results when rents are not sufficient to maintain properties. In strong housing markets, heightened demand can make it financially attractive for private owners to decide not to renew federal assistance contracts that require them to maintain the housing as affordable, and instead convert previously assisted units to market rate or even luxury units. As many as 350,000 units have been lost over the last 10 years, and nearly 900,000 units have Project-based Section 8 contracts set to expire before 2014.

Public housing units are being lost through PHA demolition, the HOPE VI program, and mandatory and voluntary conversion of public housing to voucher assistance. Since the mid-1990s, about 200,000 public housing units have been demolished, with only 50,000 new public housing units replacing them.

Using the Planning Process to Help Preserve Federally Assisted Housing

One way advocates can help prevent the loss of such units is to push local communities to create strong plans that call for the preservation of public and assisted housing. Federal law requires jurisdictions to submit three different types of plans in order to receive funds from a number of federal programs. These plans are:

Consolidated Plan. The Consolidated Plan (ConPlan), addressed in Chapter 1, is required for cities, urban counties, and states to receive funds from the following HUD programs:

- Community Development Block Grant (CDBG) program
- HOME Investment Partnerships Program (HOME)
- Emergency Solutions Grants (ESG; formerly called Emergency Shelter Grants)
- Housing Opportunities for Persons With AIDS (HOPWA).

Public Housing Agency Plan. The Public Housing Agency Plan (PHA Plan) is required for public housing agencies to get funding from HUD, including operating funds, capital funds, and Housing Choice Vouchers. It is also used by agencies that want to apply separately to demolish or sell public housing or to apply for HOPE VI grants. See Chapter 2.

Qualified Allocation Plan. The Qualified Allocation Plan (QAP) is required for state agencies (and a few big city agencies) to receive Low Income Housing Tax Credits from the Treasury Department. See Chapter 3.

¹ Once the National Housing Trust Fund, created in 2008, secures adequate dedicated sources of funding, there will be a modest new resource for production, preservation, and rehabilitation.

Continuum of Care Plan. In addition, although not directly required by law, HUD practice since 1994 has required a Continuum of Care (CoC) Plan to be submitted by entities seeking to compete to receive homeless assistance grants from the various “McKinney-Vento” programs. The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH) has merged those programs into a single “Continuum of Care Program” grant. While the HEARTH act still does not specifically require a Continuum of Care Plan, it does require that applicants be graded on their plans to address homelessness. HUD must implement new regulations by May 20, 2010, and will continue to open up the competition for Continuum of Care Program funds by publishing Notices of Fund Availability (NOFAs), either of which might set out specific requirements for any new Continuum of Care Plan. See Chapter 4.

Ten-Year Plan to End Homelessness. Related to the Continuum of Care Plan is the Ten-Year Plan to End Chronic Homelessness, which is also discussed in Chapter 4. Ten-Year Plans, an initiative of the Bush Administration, have been promoted by the federal Interagency Council on Homelessness, and have been developed in communities across the country. While there is no law, regulation, or Executive Order creating Ten-Year Plans, the HEARTH act recognizes the plans by requiring the Interagency Council on Homelessness to encourage their development.

The plans described here are tools advocates can use to influence how federal housing and community development dollars are spent in their communities. They also offer opportunities for advocates to highlight the need to preserve the existing stock of federally assisted affordable housing.

It is worthwhile for advocates to work toward getting language about preservation added to these plans, language that describes the nature and extent of need to preserve federally assisted affordable housing, makes preservation a high priority, and directs federal and other resources toward preservation.

This manual presents a sketch of the five plans, their required content, and the processes for creating the three plans mandated by law. The manual also suggests where federally assisted affordable housing preservation language can be inserted in the plans, as well as when during the planning processes such language can be inserted and jurisdictions’ actions monitored. This manual does not cover all aspects of each of the plans’ required content and processes; rather, it focuses on features having a potential bearing on the preservation of federally assisted affordable housing. Winning the inclusion of preservation language in any of these plans does not guarantee that federal dollars will be allocated toward affordable housing preservation. However, it does strengthen opportunities to preserve federally assisted affordable housing by establishing local or state public policy stepping stones that lend legitimacy and leverage for ongoing advocacy efforts.

Creating a Preservation Database

Finally, Chapter 5 spells out, step-by-step, how to create and maintain a database of subsidized multifamily rental housing that integrates all publicly available data into an easy-to-use preservation catalog, or preservation database.

Many projects benefit from multiple layers of subsidy. HUD makes data available to the public on specific affordable housing programs, but nowhere does HUD combine these files into a single database that counts each subsidized project only once and associates it with all of the subsidies that make it affordable to low income households. This chapter shows how to take data from each of the publicly available program-specific databases and combine them so that advocates can detect which subsidies any given project received.

A preservation catalog is an essential tool for understanding which properties are available to low income households in a community, where they are located, and what factors threaten the affordability of each project. Creating and maintaining such a catalog is important for preserving assisted housing in a community, and supplements the planning process.

Consolidated Plan

The Consolidated Plan (ConPlan) is a primary tool that advocates can use to influence how federal housing and community development dollars are spent in their communities and to highlight the need to preserve the existing stock of affordable housing. This chapter presents a sketch of the ConPlan document and the process for creating it. The guide also suggests where affordable housing preservation language can be inserted in the ConPlan document, as well as when during the ConPlan process such language can be inserted and the jurisdiction's actions monitored. This guide does not cover all aspects of ConPlan content and process; rather, it focuses on features having a potential bearing on the preservation of affordable housing.

What Is the ConPlan?

The Consolidated Plan¹, popularly called the ConPlan, merges into one process and one document all the planning and application requirements of four HUD block grants: HOME, Community Development Block Grants (CDBG), Emergency Shelter Grants (ESG), and Housing Opportunities for People With AIDS (HOPWA). The ConPlan process and these four grant programs (in this guide, collectively referred to as “CPD” funds) are administered by HUD’s Office of Community Planning and Development (CPD).

In general, advocates can access their jurisdiction’s ConPlan by contacting the local office that administers these grants.

States, large cities, and urban counties that receive any of these grants must have a ConPlan. In addition, Public Housing Agency (PHA) Plans (see Chapter 2) must be consistent with the ConPlan. Also, many states cite their ConPlans when establishing priorities for allocating Low Income Housing Tax Credits (see Chapter 3).

In brief, the ConPlan requires a jurisdiction to estimate housing needs for various types of housing and categories of households; it also calls for a discussion of the nature of the housing supply and the demand for different types of housing. From this analysis of housing need, supply, and demand, a jurisdiction must create a long-range (5-year) Strategic Plan, which is a policy statement of its funding and program priorities for housing. Each year, a jurisdiction must prepare an Annual Action Plan that indicates how all available resources will be used to fund housing activities intended to work toward the priority housing goals set out in the Strategic Plan.

Facilitating preservation is clearly a goal of the ConPlan. The law creating the authority for the ConPlan, the Cranston-Gonzalez National Affordable Housing Act of 1990, lists as one of its purposes: “To retain wherever feasible as housing affordable to low income families, those dwelling units produced for such purpose with federal assistance.”

The ConPlan regs open with a statement of the overall goals of the federal programs covered by the ConPlan, quoting the law creating the Community Development Block Grant (CDBG) program: “The overall goal of the community planning and development programs covered by [this regulation] is to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities principally for low and moderate income persons.” The reg goes on to define “decent housing” to include “retention of the affordable housing stock.”

¹ The regulations for the ConPlan are available online as part of the Code of Federal Regulations; those for urban cities and counties (called “entitlements”) are in the Section “200” series (e.g., [24 CFR 91.200 et seq.]), while regs for states are in the Section “300” series (e.g., [24 CFR 91.300 et seq.]).

What Is In the ConPlan?

There are a number of elements in the ConPlan. This section briefly describes the elements meaningful to affordable housing preservation, and highlights preservation opportunities in each element.

The elements of the ConPlan² that relate to the preservation of federally assisted homes are:

1. Needs Assessment
2. The Housing Market Analysis
3. Fair Housing
4. The Strategic Plan
5. The Annual Action Plan

Preservation Opportunities in the ConPlan

A description of each of the ConPlan elements related to preservation is included in this section, as are suggestions for ways in which advocates can use each to further affordable housing preservation.

Needs Assessment

The ConPlan must estimate housing needs in the jurisdiction for the upcoming five years. Regulations say the needs in the ConPlan should reflect needs identified through the public participation process (discussed elsewhere in this chapter). Housing data must be based on Census data provided by HUD, as updated by any properly conducted local study or “any other reliable source.” NLIHC’s *Out of Reach* (available at www.nlihc.org) is an excellent source of data, as is NLIHC’s *Local Area Low Income Housing Database* (www.nlihc.org/research/lalihd/index.html).

The ConPlan must estimate housing needs by:

- Income categories, including households with incomes: below 30% of the area median income (AMI), referred to as “extremely low” income; between 30% and 50% of AMI (“low” income); between 50% and 80% of AMI (“moderate” income); and between 80% and 95% of AMI (“middle” income).
- Tenure type (whether the household rents or owns).
- Family type, including: small families (two to four people); large families (five or more); individuals; and elderly households.
- The proportion of people who pay too much for housing (over 30% and over 50% of their income), live in very poor quality housing, or live in overcrowded housing.

Table 2A of the ConPlan for entitlements (Table 1 for states) provides a numerical summary of the first three bullet items.

An assessment of the needs of an ethnic or racial group must be included if their needs in any of the income categories are 10% greater than all people in the same income category.

² The additional elements to the ConPlan are: anti-poverty strategy; a description of the manner in which the plan will address the needs of public housing; the number of units with lead-based paint and the actions to evaluate and reduce lead-based paint hazards; coordination with health and mental health service agencies; a description of the jurisdiction’s institutional structure, including private industry, nonprofit organizations, and public institutions along with an assessment of their strengths and weaknesses; a description of public policies (such as land use controls, zoning ordinances, and building codes) that are barriers to the development of affordable housing; a description of the means of cooperation among the state and units of local government; and, for states, how they will coordinate use of Low Income Housing Tax Credits with other housing for low income people.

The ConPlan must also estimate housing needs for:

- Public Housing residents (does not apply to states).
- Families on the public housing and Section 8 waiting lists (does not apply to states).
- Victims of domestic violence.
- Persons with HIV/AIDS and persons with mental or physical disabilities.
- Homeless facilities and services, discussed separately for individuals and for families, noting also the needs of those who have some form of shelter and those who do not. (Table 1A of the ConPlan for entitlements and Table 1 for states provide a snapshot of these data.)
 - The need for facilities and services for homeless “subpopulations” (e.g., those with drug addictions) must be described.
 - The ConPlan must describe the characteristics and needs of people who now have housing but who are threatened with homelessness.
- Supportive housing for elderly, frail elderly, and people with mental, physical, or developmental disabilities. (A snapshot is presented on Table 1B of the ConPlan.)

Preservation Opportunities and the Needs Assessment

The needs assessment presents advocates with several opportunities to further preservation-related objectives:

- ⇒ Be an active part of the public input process to ensure that preservation of affordable housing is identified, discussed, and given greater attention in the needs assessment of your community’s ConPlan.
 - Encourage public housing residents to talk at public meetings and hearings about capital improvement needs and deferred maintenance problems that place their homes at risk.
 - Encourage residents of assisted housing to talk about poor maintenance of their projects or about time running out on the “use restrictions” placed on their buildings.
- ⇒ Ensure that your jurisdiction is using the most up-to-date data to draw the picture of housing needs in your community.
 - Check to see whether local planning bodies, universities, real estate associations, etc. conducted newer, independent studies that could be incorporated.
 - Present data, if you or others have it, which shows the number of publicly assisted homes that are at risk of no longer being affordable owners might convert them to market-rate, or that might no longer be available because owners are allowing them to severely deteriorate.
 - Talk to residents to see whether their observations support the findings of the data being used, or whether their experiences suggest that changes have taken place.
- ⇒ Because the ConPlan must describe the needs of people who now have homes but are threatened with homelessness, be sure your local ConPlan includes analysis of publicly assisted housing that is in danger of losing its subsidy or is becoming unlivable due to owner neglect.
- ⇒ Highlight data about the number of public and assisted housing units in the community.
 - Point out how many people live in these units, and if possible what their income ranges are.
 - Point out how many are elderly or handicapped.
 - Point out how many public housing units have been demolished or converted to other uses in recent year, as well as plans for future demolition or conversion (which must be in the PHA Plan) – all of which leads to increased need for more affordable housing.
- ⇒ Remind the public about public housing and Section 8 voucher waiting lists.
 - Look for the waiting list information in the paper version of the Public Housing Agency Plan (PHA Plan), and maybe in the electronic template form of the Annual Plan at item number 9. Find your PHA Plan at www.hud.gov/offices/pih/pha/approved/.

The Housing Market Analysis

Regulations require the ConPlan to contain a housing market analysis that includes a description of the supply of housing, demand for housing, and the condition and cost of housing. All applicants except states must also show areas where low income people and different races and ethnic groups are concentrated.

The Housing Market Analysis must include specific inventories, including:

- Identification of all public housing developments (does not apply to states) and:
 - The number of units.
 - Their physical condition and revitalization needs.
- The number of units assisted with other federal, state, or local funds, such as Section 8, Low Income Housing Tax Credits, and state or local housing trust funds (does not apply to states).
 - The type of household and income level served must be described.
 - There must be “an assessment of whether any units are expected to be lost from the inventory for any reason, such as the expiration of Section 8 contracts.”
- The facilities and services for homeless people, broken down by emergency shelter, transitional housing, and permanent housing.
- The facilities and services for people who are not homeless but who need supportive housing.
- The housing stock available to serve people with disabilities or with special needs, including people with AIDS (does not apply to states).
- The number of vacant or abandoned buildings, and whether they can be rehabbed (does not apply to states).

Preservation Opportunities and the Housing Market Analysis

- ⇒ Remind the jurisdiction that there must be “an assessment of whether any units are expected to be lost from the inventory for any reason, such as the expiration of Section 8 contracts.”
 - Be sure this assessment is not only included, but accurate when the draft ConPlan comes out for comment.
 - Get the jurisdiction to list which projects (and the number of units) in the next five years have Section 8 contracts expiring, subsidized FHA-insured mortgages [Section 236 or 221(d)(3)BMIR] coming to term, Low Income Housing Tax Credit (LIHTC) “compliance periods” ending, or Rural Development Section 515 mortgages with expiring terms or hints of prepayment.
 - Create a local preservation catalog (see Chapter 5) that allows the tracking of federally assisted housing over time.
 - A simple resource for much of this information is available at the National Housing Trust website, www.nhtinc.org/data_map.asp. See the Appendix to learn more about this source.
 - See the Appendix to learn more about the direct data sources available from HUD.
 - Ask the jurisdiction to ask HUD which Project-based Section 8 properties are on HUD’s “watch list” because of financial or physical problems. (Although there is no formal “watch list” for RD properties, advocates can ask their state ConPlan agencies to ask the state RD office for a list of any “troubled 515 projects”.) Be sure those properties are included in the Annual updates of the ConPlan.
 - Periodically check HUD’s property disposition webpage (www.hud.gov/offices/hsg/mfh/pd/mfplist.cfm) to detect trends in foreclosures of multifamily properties in your jurisdiction.
- ⇒ Even though the state ConPlan regs don’t require it, get your state to include information about the number of units assisted with other federal, state, or local funds.
- ⇒ Make sure that all public housing projects are included in the housing market analysis.
 - Make sure that their physical condition is accurately portrayed.
 - Make sure that there is a meaningful and realistic statement of revitalization needs presented. How does this

compare with the PHA Plan, template lines 8.1 (referring to Form 50075.1) and 8.2 (referring to Form 50075.2)? (see Chapter 2)

- Highlight the public housing units considered for demolition, sale, or “conversion” to vouchers. Look for this information in the PHA Plan, template line 7 (see Chapter 2).
- ⇒ Look to see whether the Housing Market Analysis presents the supply of housing in a way that shows various cost ranges, especially for rental units.
 - How much of that supply would be affordable to extremely low income people (below 30% AMI) should they lose the federally-assisted housing they are currently living in?
 - What is the vacancy rate of those units affordable to extremely low income people – is it really available to them?
 - Are these units decent, safe, and sanitary?
 - How many (and what percentage) of the LIHTC units are targeted to people with extremely low incomes?
- ⇒ Identify the location of vacant, affordable units in relation to where people are currently living and working.
 - If people lose their current, federally-assisted homes will they have access to basic services such as grocery stores, doctors, etc.?
 - If people lose their current, federally-assisted homes will they have unduly long and expensive commutes to jobs?
- ⇒ Ask the entity to consider the added pressure on the affordable market-rate rents if public housing is demolished or sold, or if a private owner “prepays” a HUD-subsidized mortgage or “opt outs” of the Project-based Section 8 program and converts units to condos.
 - Although tenants will get “tenant protection” or “enhanced” vouchers which stay in the community even after the displaced tenant no longer needs the voucher, if an assisted tenant moves, their former unit is no longer available to other low income residents in the future. This means that there is a net loss of affordable housing stock in the community.
 - The displaced public and assisted housing tenants with vouchers are then competing with other low income tenants for a limited supply of decent, affordable housing.

Fair Housing

Each year as part of the ConPlan a jurisdiction must “certify” that it is “affirmatively furthering fair housing.” This means that it: has an analysis of impediments (AI) to fair housing choice; is taking appropriate actions to overcome the effects of impediments; and keeps records. The AI is a separate document that is not required to be a part of the Annual Action Plan. Although HUD’s official “Fair Housing Planning Guide” says an AI “must be completed/updated in accordance with timeframes for the Consolidated Plan,” HUD memos (September 2, 2004, most recently) have relaxed this requirement and merely say that jurisdictions “should...update the AI annually where necessary.” While AI requirements have historically been overlooked, affirmatively furthering fair housing is expected to take on a new importance in the wake of a court decision on an AFFH case in Westchester County, NY, and renewed attention from HUD under the Obama Administration.

Preservation Opportunities and Fair Housing

Ask the following questions regarding the jurisdiction’s fair housing approach:

- ⇒ Is the loss of public or assisted housing an “impediment” to fair housing choice?
- ⇒ Will the loss of public or assisted housing have a “disparate impact” on people of a particular race or ethnicity, or who are disabled or elderly?
- ⇒ Is the Analysis of Impediments updated to take into consideration the impact of the demolition or conversion of public housing or the loss of assisted housing to market rate rents?
- ⇒ Does the AI indicate what actions the jurisdiction will take to address this problem?

The Strategic Plan

The Strategic Plan must be done at least every five years. This “long-term” plan has four overall requirements related to a jurisdiction’s priorities for allocating funds to housing and community development activities.

- The Strategic Plan must describe a jurisdiction’s “general” priorities for distributing its CPD money geographically and among various “categories of need,” which are broken down by “activity” types (e.g., rental rehab) and household/tenure types (e.g., extremely low income renters). In addition to a description, jurisdictions must complete Table 2A (see discussion box below), which is a useful snapshot for advocates to review.
- The Strategic Plan must explain why a “category of need” is given allocation priority, particularly among extremely low, low, and moderate income households.
- The Strategic Plan must present the jurisdiction’s “specific objectives” intended to address priority needs, and describe how all funds will be used to address those needs. These should be listed on Tables 1C (homelessness and special needs) and 2C (other housing and community development) for entitlements; states only use Table 2C if they want to.
- The Strategic Plan must identify any obstacles to meeting underserved needs.

In addition to the above overall priority requirements, the Strategic Plan must also discuss priority needs relating to “affordable” housing, homelessness and special needs housing, and public housing.

Affordable Housing. For affordable housing, the Strategic Plan must explain how funding allocation priorities and the use of funds are based on the characteristics of the housing market, the severity of housing problems and extent of needs of the various income categories, as well as the needs of renters compared to owners. The HUD Guideline for entitlements adds clarity to the regulations, repeating language in HUD’s explanation of the 2006 regulations changes (the “preamble”), by declaring that a jurisdiction should also be explicit about how CPD funds will be used for the various types of housing activities, such as rehabilitation of rental units or acquisition of rental units. The regulations were changed in 2006 to reinstate as an affordable housing activity type (although only in parentheses and not on the tables) “preserving affordable housing units that may be lost from the assisted housing inventory for any reason.”

A jurisdiction’s “affordable housing” section of the Strategic Plan must include any specific objectives describing what it hopes to accomplish, specifying the number of extremely low, low, and moderate income households. Along with a narrative, Table 2C (optional for states) should reflect these specific objectives.

Homelessness. For homelessness, the Strategic Plan must describe a jurisdiction’s strategy for:

- Helping people avoid becoming homeless. HUD’s Guideline adds that a jurisdiction must also describe its strategy for helping extremely low and low income people who are at “imminent” risk of becoming homeless.
- Reaching out to homeless people to determine their needs.
- Addressing needs for emergency shelter and transitional housing.
- Helping homeless people make the transition to permanent housing.

Public Housing. For public housing, the regulations regarding the Strategic Plan only require a jurisdiction to describe how it will address the needs of public housing.

HUD Guidelines for entitlements add that the Strategic Plan should have a summary of the public housing agency’s (PHA) strategy to serve the needs of extremely low, low, and moderate income families. The PHA’s strategy for addressing the revitalization needs of public housing should also be summarized in the Strategic Plan. For entitlements, there is an optional Table 4, “Priority Public Housing Needs,” on which the PHA could identify all priority public housing restoration and revitalization needs that it either currently has or will have in the upcoming years.

Preservation Opportunities and the Strategic Plan

- ⇒ Work to make preserving affordable housing a “priority need” in the Strategic Plan.
- ⇒ Work to have your jurisdiction use “relative” priorities such as “high,” “medium,” or “low” priority (rather than simply “yes” or “no”) so that you can convince the decision-makers to designate preservation as a “high” priority.
- ⇒ Work to make the preservation genuine by getting “specific objectives” related to preservation as a “priority need” in the Strategic Plan.
 - Get “specific objectives” for public housing.
 - Get “specific objectives” for assisted housing.
 - Be sure the “specific objectives” follow HUD’s Guidelines by expressing proposed accomplishments in numerical terms (for example: number of Section 8 units preserved that encountered contract “opt outs;” the number of units saved as affordable to “low” income residents in “expiring” subsidized FHA-insured mortgage projects; or the number of units kept in the RD 515 program that could have been prepaid).
 - Be sure that the preservation “specific objectives” and numerical goals are also indicated on Transition Table 2C (for entitlements).
- ⇒ Be sure that the Strategic Plan describes how all funds that could reasonably be expected to be available (not just CPD dollars) will be used for each preservation “specific objective.”
 - Will the state set aside HOME and/or CDBG funds for preservation of Rural Development Section 515 units?
 - How will the jurisdiction help preservation by assisting all parties access:
 - Any state housing trust fund?
 - The Affordable Housing Program of the Federal Home Loan Bank?
 - Low Income Housing Tax Credits?
 - USDA’s Rural Development Section 515 loans?
 - HUD’s Mark-to-Market mortgage restructuring program for expiring project-based Section 8 units?
 - What will the jurisdiction do to help nonprofits acquire properties with expiring Project-based Section 8 contracts or “troubled” projects at foreclosure sales?
 - Will the jurisdiction have an affirmative policy of exercising its “right of first refusal” to purchase a troubled HUD-owned property?
- ⇒ Although there is no line on Table 2A or Table 2C for “preserving affordable housing,” advocates can reinforce the narrative statement of “specific objectives” to address “priority needs” by getting the jurisdiction to give priority to “rehabilitation of existing rental units” and “acquisition of existing rental units.”
- ⇒ Be sure that the Strategic Plan complies with the regulations by describing how the characteristics of the housing market and the severity of housing needs of extremely low income renters provide the reasoning behind the priorities and actual use of funds for “preserving affordable housing units that may be lost from the assisted housing inventory for any reason.”
- ⇒ If you are not successful in winning recognition of preservation as a “priority need,” be sure that the Strategic Plan explains why it is not considered a priority – this explanation might help with future advocacy efforts.
- ⇒ Be sure the “homelessness” portion of the Strategic Plan includes preservation of affordable housing as one tactic for helping people avoid homelessness. Get the Strategic Plan to include preservation as one means of addressing the plight of extremely low income people who are at “imminent” risk of becoming homeless due to the potential loss of their affordable homes.

HUD's Priority Housing Needs and Activity Tables 2A

HUD has devised Table 2A, which forces jurisdictions to indicate in the ConPlan whether specific types of needs are a priority. The first page of Table 2A ("Priority Housing Needs/Investment Plan Table") requires jurisdictions to indicate whether specific categories of need are priorities. Those categories of need are broken down between renters and owners; and, for each there is a further breakdown based on income level (e.g. extremely low, low, and moderate). There is yet another level of detail, household size (but the state form only asks this for renters).

Jurisdictions are required to indicate which of these categories is a "priority need". Jurisdictions may use relative indicators of priority, such as "high", "medium", or "low" priority; however, they are not required to do so. If they don't use relative indications of priority, they must describe how priorities are identified. HUD indicates that jurisdictions may simply indicate "Y" ("Yes is a priority") or "N" ("No, is not a priority"). HUD defines "High" priority to mean a jurisdiction will fund activities to address the need, "Medium" to mean a jurisdiction "may fund" an activity "if funds are available", and "Low" to mean a jurisdiction will not address that need. An entitlement jurisdiction must also present a numerical estimate of the unmet need on page 1, and on page 2 the number of households it intends to assist in the future for the priority categories of need.

The "Priority Housing Activities" page of Table 2A (page 3 for entitlements and page 2 for states) lists specific categories of need based on the type of activity, such as "rehabilitation of existing rental units" or "acquisition of existing rental units." There is no specific category of need called "preservation of rental units;" however, preservation can be represented by rehab or acquisition. Here again, jurisdictions must indicate whether an activity type is a priority and indicate how many units it intends to assist in the future. States have the option of using this page, indicating priority level if they choose to. An entitlement jurisdiction must present a numerical estimate of the number of units it intends to assist for any priority activities.

All of this is spelled out in the HUD Guidelines, Table Instructions.

- ⇒ Be sure that the Strategic Plan summarizes the PHA's plan for addressing the revitalization needs of public housing and for meeting the needs of extremely low income people if there is a plan to demolish public housing or convert it to market-rate housing.
 - Convince the jurisdiction to include the optional Table 4 (for entitlements), "Priority Public Housing Needs."
 - Do preservation activities get a "high" priority?
 - Do the priorities reflect the consultation with residents and with the community comments from ConPlan's public participation process?
 - Does the PHA's planned use of Capital Funds maximize maintenance and improvements? (If the ConPlan is silent, check out the PHA Plan, template lines 8.1 and 8.2; see Chapter 2.)
 - If the PHA has plans for "mixed-income" housing, do those plans include one-for-one replacement housing opportunities for extremely low income people?

The Annual Action Plan

The Annual Action Plan for an entitlement jurisdiction must describe each activity a jurisdiction will carry out with CPD funds in the upcoming year to address the “priority needs” and “specific objectives” in the Strategic Plan. In addition to a description, entitlement jurisdictions must complete Table 3C for each activity, which is very useful for advocates.

Most states do not directly carry out CDBG activities; instead, most states distribute CDBG to local governments which in turn undertake specific activities. States must describe how they will distribute funds to local governments and nonprofits, and there must be a description of all criteria used to select applications from localities. States must also describe how all CDBG money will be allocated among all funding categories (e.g., housing, economic development, public works, etc.).

Important required Action Plan elements include:

- A summary of all resources expected to be available, including all federal (not just CPD dollars), state, local, and private resources.
- A description of the reasoning behind allocation priorities.
- An estimate of the number and type of households that will benefit (does not apply to states).
- The geographic areas that will get assistance and the reasons these areas have priority.
- For CDBG-assisted activities, there must be enough detail about each activity (including location) that people can determine the degree to which they are affected (does not apply to states).
- Actions to foster and maintain affordable housing.

The Action Plan must also indicate activities a jurisdiction will undertake in the upcoming year to address affordable housing, homelessness, and public housing needs. Highlights include:

- One-year goals for the number of households to be provided affordable housing through rehabilitation, acquisition, new construction, or rental assistance activities.
- Activities that will prevent homelessness, especially for those with incomes below 30% of the median.
- Actions that will address the needs of public housing.

Preservation Opportunities and the Annual Action Plan

- ⇒ Be sure the Annual Action Plan describes the actions your jurisdiction will take to “maintain” affordable housing.
- ⇒ Be sure the Action Plan summarizes all resources available to help preserve affordable housing.
- ⇒ Be sure that Table 3A (optional for states) contains “specific annual objectives” that reflect the Strategic Plan’s “specific objectives” relating to preservation.
 - Be sure specific annual objectives to be funded with CPD dollars are listed separately from those to be funded with other federal or non-federal funds.
 - Be sure numerical accomplishments are proposed for each preservation specific annual objective.
- ⇒ Be sure the Annual Action Plan describes how the PHA and the jurisdiction will use available resources to meet the ongoing needs of public housing residents by maintaining and/or renovating projects.
- ⇒ If you are working on the state ConPlan get the state to structure its CDBG and HOME distribution practices to provide a set aside or extra points for projects designed to preserve affordable housing.

Five Stages of the ConPlan Process

The ConPlan calendar has five stages:

1. Identify Needs
2. Proposed ConPlan
3. Final ConPlan
4. Amendments to the ConPlan
5. The Annual Performance Report

This section briefly describes the five stages and their related public participation requirements. Next, this section suggests preservation-related action opportunities at each stage.

Identify Needs

The law requires a public hearing to get peoples' ideas on housing needs. HUD's regulations require this hearing to take place before a draft, or "proposed," ConPlan is published for comment. (See elsewhere in the chapter for more information on the ConPlan's "Housing Needs" component and other public participation requirements.)

The Needs Identification stage is the first opportunity to raise public awareness about the importance of preserving the existing stock. Advocates can take advantage of the public hearings to inform local elected officials, other policy makers, the media, and the community at large about the federal government's investment in affordable housing in previous years. Handouts and testimony can be prepared showing how much public and assisted housing there is and how important it is to residents.

Highlight the limited supply of affordable market-rate housing in the community, and talk about its low vacancy rate and/or substandard quality. Impress upon officials the added pressure on the affordable market-rate housing stock if federally-assisted units are lost.

Residents can testify about the sense of community they have at their public housing or assisted housing developments, and what it would mean to lose that sense of community if their developments are demolished or converted to market-rate housing. Tenants can also remind policy makers of the lifeline this affordable housing provides their families.

If projects are in jeopardy due to pressures to convert them to market rate housing or to some other use, underscore the hardship this will cause current and future residents. If a project is "troubled" due to poor maintenance, demonstrate how rehabilitation is a more responsible husbanding of this earlier public investment, and how rehabilitation is a far more economical alternative than new construction.

Proposed ConPlan

There must be a summary of the "proposed" ConPlan in a newspaper of general circulation. This summary must include a list of places where complete copies of the proposed ConPlan is available to read, including public places such as libraries. A "reasonable number" of copies of a proposed ConPlan must be provided for free. There must be at least one public hearing "during the development of the ConPlan" (does not apply to states). The public must have at least 30 days to review and comment on the proposed ConPlan. Jurisdictions must encourage the participation of community organizations in the process of developing and implementing the ConPlan.

The regs require jurisdictions to encourage participation of community organizations as well as low income people (and for local jurisdictions, residents of public and assisted housing) in the development of the ConPlan. Don't wait for the jurisdiction to reach out to you – contact the jurisdiction and insist upon being an active contributor in creating the draft ConPlan.

Get a copy of the proposed ConPlan to check whether affordable housing preservation was given the attention you requested. Just because preservation was stressed at the Needs Identification stage, that doesn't mean it was included or adequately addressed in the draft ConPlan. Although some discussion about preservation might have been added as a result of your advocacy efforts, check whether affordable housing preservation was deemed a "priority" need. (Some jurisdictions simply indicate whether a category of need is a "priority," while others indicate relative priority such as "high" priority or "medium" priority.)

Having affordable housing preservation recognized as a “priority” need is a good first step; however, it can be meaningless if no money will be allocated toward it. Be sure that the Annual Action Plan actually proposes to allocate an adequate amount of funds in the upcoming year for affordable housing preservation. Also, be sure that the Action Plan specifies the source(s) of the funds to be allocated, and then assess whether securing such funds in the indicated amounts is realistic. Study the details of programs proposed for preservation; are they designed to succeed?

Prepare comments about the draft ConPlan’s approach to affordable housing preservation, and deliver these comments verbally at the hearing, as well as in writing. If the draft language is good, be sure to support it. Suggest improvements if necessary. If affordable housing preservation was ignored or inadequately addressed in the draft ConPlan, despite strong input at the Needs Identification stage, raise the issue again (and think of new allies to bring on board or other decision-makers to inform and engage).

Final ConPlan

The jurisdiction must “consider” public comments about the proposed ConPlan, attach a summary of the comments to the final ConPlan, and explain in the final ConPlan why peoples’ suggestions were not used, if they were not. A copy of the final ConPlan must be available to the public.

If the final ConPlan does not adequately address affordable housing preservation despite input at the previous stages, then the final ConPlan must contain an explanation. The jurisdiction’s rationale for ignoring or shortchanging preservation might give advocates a handle for securing more support the next time around. Advocates do not have to wait for “the next time around;” they can immediately work to convince elected officials to amend the ConPlan.

Amendments to the ConPlan

The ConPlan must be amended if there are any changes in priorities, or in the purpose, location, “scope,” or beneficiaries of an activity, or if money is used for an activity not mentioned in the Action Plan. If there is a “substantial amendment,” then public participation requirements are triggered. HUD allows the jurisdiction to define “substantial amendment.” At a minimum, however, the regulations for local governments say that a “substantial amendment” must include a change in the use of CDBG funds, and for states a change in the way a state allocates CDBG money to small towns and rural areas.

The public participation requirements for a “substantial amendment” include: giving “reasonable” notice that a “substantial amendment” is proposed; making the “substantial amendment” available to the public; and, providing 30 days for public review and comment. The jurisdiction must “consider” peoples’ comments and attach a summary of them, along with the reasons for not accepting comments. The substantial amendment sent to HUD must be available to the public.

Advocates must be vigilant. Just because preservation of affordable housing was given priority status, it is possible that changes adversely affecting preservation will be made by a jurisdiction sometime over the course of the year. To ensure that advocates are notified of major changes affecting preservation, convince the jurisdiction to include in its definition of “substantial amendment” any changes to affordable housing preservation activities that impact the priority, scope, or beneficiaries of preservation activities. Advocates can work with jurisdiction staff to craft a definition that allows for practical changes without requiring public notice and comment, while protecting preservation programs from being harmed.

The Annual Performance Report

In the Performance Report, a jurisdiction shows what it actually did to meet housing needs. The Performance Report must include a description of the money available and how it was spent, the location of projects, the number of families and individuals assisted (including race and ethnicity), and the number of people assisted by income category, including those with income below 30% of the area median income.

The public participation requirements related to the Performance Report are similar to those for a “substantial amendment,” but with only a 15-day comment period.

The Annual Performance Report contains a number of computer-based sets of records. Four of these must be available to the public. For local jurisdictions, one is the Grantee Performance Report (GPR), also known as IDIS Report Co4PR03; it applies only to CDBG, yet it provides a lot of detailed information about each activity funded by CDBG. Advocates

should be sure to get a copy of the GPR. Another report is called the CAPER (IDIS Report Co4PR06), which is a general, aggregate picture of what the jurisdiction accomplished. For states, a Performance Evaluation Report is required which gives you basic information about each project funded with CDBG during the year.

For HOME-assisted activities, the key IDIS report is Co4PR22, “Status of HOME Activities” which lists all HOME-assisted activities open and funded as well as closed out, by address, number of units, and dollar amounts committed and disbursed.

Be sure that affordable housing preservation programs aren’t just on paper in response to your earlier advocacy...with little or no intent on the part of the jurisdiction to effectively carry them out. Ninety days after the close of the program year, the Annual Performance Report should be available. Obtain a copy and assess the extent to which affordable housing preservation programs were carried out. If there has not been sufficient action or expenditure of funds, work with staff and elected officials to identify and eliminate technical problems, and/or engage in new advocacy efforts to remove political obstacles.

Public Participation and the ConPlan Process

There are public participation requirements in addition to those described in the five stages of the ConPlan. Each jurisdiction must have a written “citizen participation plan” that must be available to the public, likely through the local jurisdiction’s office of housing, planning, or community development. This citizen participation plan must “provide for” and “encourage” public involvement in coming up with the ConPlan, and in reviewing any “substantial amendment” as well as the Annual Performance Report. The jurisdiction must encourage involvement by low income people, especially in low income neighborhoods and areas where CDBG money might be spent. Jurisdictions are “expected to take whatever actions are appropriate to encourage involvement by minorities, people who do not speak English, and disabled people.” Local jurisdictions (not states) must also encourage involvement by public and assisted housing residents.

There must be “reasonable and timely” access to information and records relating to the ConPlan, and people must be able to review records from the last five years that are related to the ConPlan and any use of federal money covered by the ConPlan. For local jurisdictions (not states) the public must have “reasonable and timely” access to local meetings (such as community advisory committee meetings, council meetings, etc).

Public hearings must be held after “adequate” notice to the public. “Publishing small print notices in the newspaper a few days before the hearing is not adequate notice,” the regulations say, but “two weeks notice is adequate.” HUD’s guidelines for local jurisdictions add that notice should be in nonlegal sections of newspapers, and in newspapers serving low income neighborhoods, minority populations, and non-English-speaking populations. Public Service Announcements over radio and television are encouraged by HUD, as are direct mailings and phone contacts to those who have requested it.

Public hearings must be held at times and places convenient for low income people. HUD’s Guidelines for local jurisdictions suggest holding hearings in the evening or on weekends, and in places at which low income people feel comfortable, especially in neighborhoods where most people who will benefit live. Where there are a “significant” number of people who do not speak English, the citizen participation plan must show how they can be involved. The jurisdiction must give written, “meaningful,” and “timely” responses to written public complaints (15 days is “timely” if the jurisdiction gets CDBG).

Thanks to the work of advocates in the 1980s, the CDBG law, which is the base for the ConPlan public participation requirements, has the best public involvement provisions of any federal program. Advocates should take advantage of every opportunity built into the law and regulations to be actively engaged in the ConPlan process in order to ensure that the preservation of affordable housing is recognized in the ConPlan, given a high priority, and allocated sufficient funds.

Advocates should consider the following questions regarding the public participation process:

- ⇒ Is the jurisdiction taking “whatever actions are appropriate to encourage involvement by minorities, people who do not speak English, and disabled people?”
- ⇒ Is the jurisdiction encouraging involvement by residents of public housing?
- ⇒ Is the jurisdiction encouraging involvement by residents of assisted housing?
- ⇒ Are advocates doing what they can to help residents of public and assisted housing articulate their needs to preserve their homes?

In conclusion, the ConPlan is a potentially useful advocacy tool for directing funds toward activities that will help preserve affordable housing because jurisdictions must provide for and encourage public participation, particularly by low income people. Advocates and residents should be actively engaged in the needs assessment and priority setting processes, making sure that all of the needs are identified, including preservation, and that these needs get assigned the level of priority they deserve. Through the public participation process, advocates and residents can strive to ensure that federal dollars are allocated to activities that will truly meet those high priority needs, including the preservation of affordable housing.

For More Information

- NLIHC's chapter on the ConPlan in the Advocate's Guide, available through the NLIHC homepage, at www.nlihc.org.
- HUD's Consolidated Plan web page is www.hud.gov/offices/cpd/about/conplan/index.cfm.
- HUD's "Guidelines for Preparing a Consolidated Plan" for both local jurisdictions and states are available at www.hud.gov/offices/cpd/about/conplan/toolsandguidance/guidance/index.cfm.
- The regulations are available at <http://www.access.gpo.gov/nara/cfr/cfr-table-search.html>. Scroll down to "Title 24", select the latest date available, which takes you to a new page, where you need to select "Chapters 0-99." From the page of Chapters 0 through 99, select 91.

Appendix: Notes About Multifamily Data Sources

The National Housing Trust (NHT) website (www.nhtinc.org/data_map.asp) has the following data:

- Project-based Section 8 projects, along with any FHA-insured mortgage maturity dates.
- Low Income Housing Tax Credit (LIHTC) projects.
- Rural Development (RD) Section 515 projects, however there is no information about expiration dates.

Direct HUD and RD sources are available; however, some have limited information and/or are not easily viewable and can only be downloaded at the national level in file formats such as Access, Excel, dbf, etc. The tables often have many fields, and users have to isolate their jurisdiction's projects from all other projects and then further identify those projects that expire in *x* years.

- ⇒ HUD's Multifamily Assistance and Section 8 Contract Database www.hud.gov/offices/hsg/mfh/exp/mfhdiscl.cfm can only be downloaded in its entirety. This yields two tables inside one Access database, one table for properties and one table for contracts.
- ⇒ HUD's Insured Multifamily Mortgage Data Base www.hud.gov/offices/hsg/comp/rpts/mfh/mf_f47.cfm.
- ⇒ HUD's Maturing Subsidized Mortgages data base www.hud.gov/offices/hsg/mfh/maturing_subsidized_mortgages.cfm. This is actually a webpage that has a PDF file of projects that expire before the year 2014. It was created in 2004 and does not seem to be updated.
- ⇒ HUD's Active Section 236 Projects data base www.hud.gov/offices/hsg/mfh/map/actloan/activesec236proj.cfm.
- ⇒ HUD's "PD&R" web site for the Low Income Housing Tax Credit program www.huduser.org/datasets/lihtc.html#data.
- ⇒ HUD's HOME Program "Open Activities Report" www.hud.gov/offices/cpd/affordablehousing/reports/open/.
- ⇒ RD's Section 515 (although there is no indication of mortgage term or threat of prepayment)
http://rdmfhrentals.sc.egov.usda.gov/RDMFHRentals/select_state.jsp

Public Housing Agency Plan (PHA Plan)

The PHA Plan is an additional tool advocates can use to influence how federal housing dollars are spent in their communities. Most PHAs are required to submit both an Annual Plan and a 5-Year Plan. The Plans offers an opportunity to highlight the need to preserve previous federal investment in the public housing stock, which is especially important in the face of the long trend in cuts to the public housing Capital Fund rehabilitation.

This chapter focuses primarily on the Annual Plan. It presents a sketch of the PHA Plan³ document and the process for creating it. It also suggests where public housing preservation language can be inserted in the PHA Plan document, as well as when such language can be inserted and the PHA's actions monitored during the PHA Plan process. This guide does not cover all aspects of PHA Plan content and process; rather, it focuses on features having a potential bearing on the preservation of public housing.

It is worthwhile for advocates to consider getting language about preservation of public housing added to the Annual PHA Plan that accurately and fully demonstrates the need for public housing affordable to extremely low income people. PHA Plan is also a defensive tool because it gives residents and advocates a warning about PHA intentions to demolish or sell public housing.

A brief section at the end of this chapter offers advocates a few suggestions regarding the 5-Year Plan, which all PHAs must send to HUD every five years. The 5-Year Plan merely states a PHA's mission, goals, and objectives. Advocates should aim to have included language in the 5-Year PHA Plan making preservation a goal and listing objectives that will lead to preservation of the public housing stock.

What Is the PHA Plan?

The PHA Plan is the gathering together of a PHA's key program intentions (such as demolition) and policies (such as the Admission and Continued Occupancy Plan). The purpose of the PHA Plan is to provide public accountability and an easily identifiable source of information for residents and the public so that they may locate basic PHA policies, rules and requirements about the PHA's operations, programs, and services.

Each year, all PHAs except for "qualified small PHAs"⁴ must prepare an Annual Action Plan and submit a very short form called the "template" 75 days before the beginning of the PHA's fiscal year. You can find your PHA Plan at www.hud.gov/offices/pih/pha/approved/.

HUD has created and requires PHAs to submit its Annual Plan using a computer-based "template." The template was drastically shortened in November 2008, and does not contain or even refer to everything important to residents.

PHAs must still make readily available to the public all of the PHA Plan elements that are required by HUD regulations, but which are not submitted to HUD as part of the template. If any of the required elements has been updated or changed since the previous year, PHAs must at least mention on Line 6.o(a) of the template which element has been updated or changed. However, there is no requirement to summarize how an element has changed.

PHAs must identify on Line 6.o(b) of the template where complete copies of the PHA Plan and all of its required elements (not just the template) can be obtained by residents and the public. HUD urges PHAs to also post the template and all PHA Plan elements on their websites. The template instructions say that at a minimum, PHAs must post PHA Plans and updates at each Asset Management Project (AMP) as well as the central office. The template instructions also encourage PHAs to provide a copy of the 5-Year Plan and Annual Plan to each resident council.

³ The PHA Plan regulations are available online as part of the Code of Federal Regulations; see [24 CFR 903 et seq.].

⁴ A "qualified small PHA" is one that: 1) Has a combined total number of public housing units and vouchers that is less than 550; 2) Is not a "troubled" PHA; and 3) does not have a failing SEMAP score (Section 8 Management Assessment Program). This is a change made by the Housing and Economic Recovery Act of 2008 and spelled out in Notice PIH 2008-41.

What Is In the Annual PHA Plan?

The law and regulations require a full PHA Plan to have 18 elements. For the purpose of this guide about the preservation of public housing the focus is on five elements⁵:

1. Statement of Housing Needs
2. Statement of Financial Resources
3. Statement of Capital Improvement Needs
4. Statement of Demolition and Disposition Plans
5. Statement of Conversion of Public Housing

Each of these elements is described in this guide, followed by suggestions for using them to further the preservation of public housing for low income people.

Preservation Opportunities in the PHA Plan

This section discusses the five PHA Plan required elements that offer opportunities for advocates intending to preserve the public housing stock, followed by a discussion of how advocates can take advantage of these opportunities.

Statement of Housing Needs

The Statement of Housing Needs element of the PHA Plan must estimate the housing needs of extremely low, very low, and low income families, as well as the needs of elderly families, families with a member who is disabled, and various races and ethnic groups. It must also address housing affordability, supply, quality, size of units, location, and accessibility to people with disabilities. All of this should be presented on the PHA Plan template at line 9.0. The needs of those on the public housing and Section 8 waiting lists, broken down by all of the characteristics listed above, must also be included and can be found on line 9.1 of the template.

The regulations also require the PHA to describe the ways in which it will address housing needs in the upcoming year, including the needs of those on the waiting lists, as well as the reasons for choosing these means of tackling the needs. Line 9.1 of the template is where you will find this.

The PHA must make reasonable efforts to identify the needs based on information in the jurisdiction's ConPlan (see chapter 1), information provided by HUD (the "CHAS data set"), and other generally available data.

Preservation Opportunities and the Statement of Housing Needs

- ⇒ You will want to ensure that the PHA writes a thorough analysis of needs, especially focusing on the needs of households with extremely low incomes.
- ⇒ You will also want to judge whether you agree with the PHA's analysis.
- ⇒ The waiting list is a good indicator of the minimum needs for public housing, so be sure to highlight it in your advocacy. If the waiting list is "closed" that is a sign that the need for public housing is far greater.
- ⇒ Make sure that all generally available data has been fairly considered, including information generated by residents or their allies, other advocacy organizations, universities, and local planning bodies.
- ⇒ Consider challenging the use of data that is not up to date (The "CHAS data set" information used in the ConPlan is based on the ten-year census and may no longer be relevant) or that is not accurate.
- ⇒ Work with resident leaders and use the formal resident participation process (see elsewhere in chapter) to ensure that residents' priority needs are recognized and included in the statement of needs.

⁵ The additional 13 elements are: rent policy; waiting list, admissions, and deconcentration policies; grievance procedures; community service and self-sufficiency programs; safety and crime prevention; pet policy; operation and management standards; setting aside projects for elderly or disabled people; homeownership programs; civil rights certification; audit results; long-term planning for operating and maintaining the inventory; and, "additional" information such as the definition of a "significant" amendment to a PHA Plan.

Statement of Financial Resources

The PHA Plan must list resources it expects to receive in the upcoming year by general categories such as operating funds, capital funds, other federal funds, and any non-federal resources. The planned uses of these resources should be stated. This information is no longer on the template.

Preservation Opportunities and the Statement of Financial Resources

- ⇒ Urge the PHA to access Community Development Block Grant funds to rehab public housing and provide facilities (e.g., recreation center) and services (e.g., day care) that support public housing residents.
- ⇒ Urge the PHA to spend Capital Funds in a way that preserves the existing stock.

Statement of Capital Improvement Needs

The PHA Plan must describe the capital improvements (major physical improvements) necessary to ensure the long-term physical and social health of public housing developments. The Capital improvements planned for the upcoming year, as well as a separate Five-Year Action Plan for “large” capital improvements (not to be confused with the 5-Year PHA Plan) must be submitted with the Annual PHA Plan. The template (at Line 8.1) requires PHAs to include a table called the “Capital Fund Program Annual Statement/Performance and Evaluation Report,” form HUD-50075.1. Line 8.2 requires submission of the Capital Fund Program Five-Year Action Plan, form HUD-50075.2.

Form 50075.1 (Annual Statement) has three parts; two are mentioned here. Part I provides a PHA-wide summary of capital improvement needs. Five lines might be the most revealing: Line 1, “Total non- Capital Fund Program (CFP) Funds;” Line 9, “Site Improvements;” Line 10, “Dwelling Structures;” Line 14, “Demolition;” and Line 17, “Development Activities.” Part II should provide a general description of “major work categories” (including those that will be funded with non-CFP money) for each public housing development. “Work categories” should be described in broad terms, such as kitchens, bathrooms, electrical, site improvements, etc. A work category might entail various components (e.g., kitchens it might include stoves, refrigerators, cabinets, floors, etc.)

Form 50075.2 (Five-Year Plan) also has three parts, two of which are mentioned here. Part I summarizes for each public housing development the planned capital projects for the next five PHA fiscal years. This part should describe various activities planned for the development each year for those upcoming five years, such as: Row B, physical improvements; Row H, demolition costs; and Row I, planned development costs. This form gets updated each year so that there is a rolling five year plan. Part II (Physical Needs Work Statement) should give a “Work Statement” for each development for the upcoming five years showing planned major “work categories” (e.g. installing new exterior doors or replacing windows).

Preservation Opportunities and the Statement of Capital Improvement Needs

- ⇒ Look over the tables to assess how well capital needs are being addressed.
 - Are the most appropriate public housing developments getting the capital funds they need?
 - Are the planned capital improvements the most appropriate?
 - Are some developments “underserved”?
 - Do certain categories of residents seem “underserved”?
 - Are certain geographic areas unfairly favored?
 - Were there any deletions or additions, and if so were they appropriate?
- ⇒ Check to see whether you agree with any changes made in the Annual Statement.
- ⇒ Work to shape and prioritize the 5-year capital improvements plan.

HOPE VI is (currently) a small program that primarily demolishes public housing units and replaces them with newly built units, generally in a “mixed-income” environment. The experience to date is that only a small percentage of public housing residents will actually get to return to the “revitalized” communities. HOPE VI is the template subject at Line

7.0. If a PHA intends to apply for HOPE VI funds it must project when the application will be submitted and describe the housing and number of units that would be the target of HOPE VI.

- ⇒ Study Line 7 carefully and ask questions to determine:
 - Whether existing public housing units will be replaced on a one-for-one basis with new units having Annual Contributions Contracts (ACC) so that they will be affordable to current residents.
 - What tenant screening policies will be used, and then work to ensure that current residents are able to return to new or redeveloped units.

Statement of Demolition and Disposition Plans

If the PHA has applied for or will apply for approval to demolish or dispose of (sell or transfer) any public housing development or part of a development, the template's instructions for Line 7.0 require the PHA to describe the project, its timing, the number of affected units and their addresses, unit sizes, and accessibility features.

Separate demolition/disposition regulations require that the description of demolition or disposition in a PHA's application to HUD be identical to the description in the PHA Plan. HUD can disapprove an application if it is not "consistent" with the PHA Plan.

- ⇒ Advocates should challenge an application that is significantly different from the PHA Plan.

The demolition/disposition law and regulations also require the PHA to develop the application "in consultation" with tenants, any tenant organization, and the Resident Advisory Board (RAB) at the project to be demolished or sold, as well as with any PHA-wide tenant organization. Evidence that the PHA did provide this consultation must be submitted with the application, along with copies of any written comments and the PHA's assessment of those comments.

- ⇒ HUD can deny the application if tenants were not consulted, so be sure to challenge a demolition or disposition application if residents were not consulted or if the "consultation" was grossly inadequate.
- ⇒ Check to see whether the PHA submitted any written comments from residents and provide the PHA's evaluation of those comments.
- ⇒ Advocates who might not be residents of the public housing to be demolished or sold should still attend any meetings about the proposed application; or, if an application has already been submitted, get a copy of it (form HUD-52860).
- ⇒ If an application has already been sent to HUD, write to HUD expressing your concerns, especially if there are errors or misstatements in the application.

Demolition Applications. For demolition applications, PHAs must certify that a development is "obsolete," either physically, in terms of location, or for other reasons and therefore is no longer suitable as housing.

- Physically obsolete means that there are structural deficiencies that can't be fixed at a reasonable cost. "Reasonable" cost is defined as less than 62.5% of total development costs for buildings with elevators and 57.14% for other buildings.
 - ⇒ Evaluate whether a project really "structurally" obsolete.
- An obsolete location means that the surrounding neighborhood is too deteriorated or polluted, or has shifted from residential to commercial or industrial uses.
- "Other factors" that "seriously affect the marketability or usefulness" of the development can also mean that a project is obsolete.
 - ⇒ Be ready to challenge the "location" factors and "other" factors because they are so vague and open to subjective abuse by PHAs.

Disposition Applications. For disposition applications the PHA must “certify” that keeping the development is not in the best interests of residents “or the PHA” for any one of three reasons:

- Conditions in the area surrounding the development (such as commercial or industrial activity) have a negative impact on the health and safety of residents or the project’s ongoing operation.
- Sale of the property will allow the PHA to buy, develop, or rehab other properties that can operate as low income housing more efficiently.
- Sale of the property is “appropriate” for reasons consistent with the PHA’s goals, the PHA Plan, and the purpose of the public housing act.

If there is information showing that a certification is inconsistent, HUD can deny the application.

- ⇒ Challenge the accuracy of any of claims that commercial or industrial activities cause significant harm to residents.
- ⇒ The third reason for sale (above) seems to be wide open to subjective abuse; be ready to challenge it.
- ⇒ If the property is sold, how much of the “new” low income housing will be available to and affordable to residents of the existing project that will go up for sale?
- ⇒ If the PHA intends to sell, it must first give residents 30 days to make a request to buy their development.

Statement of Conversion of Public Housing

Every year, a PHA has to assess its inventory and identify developments or parts of developments containing more than 250 units which must be removed from its inventory, or “converted.” Conversion is required if buildings have had a 12% vacancy rate for three years and either can’t be modernized at a reasonable cost or the cost of maintaining the buildings for their remaining useful life is greater than the cost of providing vouchers.⁶ Conversion can mean sale of the property and/or demolition. Public housing residents in converted buildings must be offered comparable replacement homes-- either public housing, tenant-based vouchers, or project-based vouchers. A conversion plan, which is a five-year plan for removing the affected public housing from the inventory, must be submitted with a PHA Plan.

In addition, a “voluntary conversion” is possible⁷. A PHA must assess each of its developments once to determine whether a “voluntary” conversion is appropriate. These “initial assessments” must be submitted as part of the PHA Plan after such an initial assessment is complete. In short, a public housing development can be considered appropriate for voluntary conversion if three conditions are met:

- Conversion, and providing the affected tenants with vouchers, will not be more expensive than continued operation of the development as public housing.
- Conversion will principally benefit the residents of the development, the PHA, and the community.
- Conversion will not have a negative impact on the stock of affordable housing in the community.

Preservation Opportunities and the Statement of Conversion of Public Housing

- ⇒ As soon as an initial assessment attached to a PHA Plan indicates that a development is appropriate for conversion, you will want to assess whether the results of all three of the above conditions are met and accurate.
 - Will residents truly benefit? How? Are there hidden negative effects for residents?
 - Will benefits to the “community” really translate to gentrification?
 - Is there so much comparable rental housing in the community that it can absorb public housing residents with vouchers?
- ⇒ Because the PHA must keep documents showing the reasons why it thinks it appropriate to make the conversion, you will want to obtain these documents.
- ⇒ Monitor each year’s PHA Plan to identify projects that the PHA thinks would be appropriate to convert.

⁶ This is known as “Section 33” mandatory conversion. Regulations are at 24 CFR 972 Subpart A.

⁷ This is known as “Section 22” voluntary conversion. Regulations are at 24 CFR 972 Subpart B.

Just because a PHA has indicated a voluntary conversion would be appropriate, that doesn't mean conversion will automatically happen. However, if a PHA wants to make a voluntary conversion, it must submit a "conversion assessment" to HUD with its next PHA Plan. There are four analyses in a conversion assessment: rental market conditions (including an analysis of the availability of units which residents could successfully use with replacement vouchers), cost comparison, market value, and neighborhood impact. Within a year of submitting a conversion assessment, a PHA wishing to make a voluntary conversion must submit a "conversion plan" with its PHA Plan. Among other elements, the conversion plan must describe the future use of the property (including sale and/or demolition), how money gained from the sale of the property will be used, and relocation plans for residents. The "assessment" and "plan" can be sent with the same PHA Plan.

- ⇒ Once a conversion assessment (for voluntary conversion) or a conversion plan (for either a mandatory or a voluntary conversion) is submitted with a PHA Plan, you should study the assessment or plan, identify inaccuracies, and provide alternative information or data.
- ⇒ In particular, check to see whether there is enough comparable rental housing in the community to absorb public housing residents with vouchers.

The regulations for both mandatory and voluntary conversions call for a modest level of resident involvement.

- In addition to the regular public participation requirements for the PHA Plan (see Chapter 2), there must be at least one meeting with the affected residents (including the Resident Council) to explain the requirements of the conversion process, and to provide copies of the draft conversion plan.
- There must be a reasonable opportunity for residents to comment on the conversion plan, and the PHA must consider these comments in developing the final conversion plan.
- The conversion plan sent to HUD for approval must summarize resident comments and the PHA's responses.
 - ⇒ You will want to make sure that all four of the above resident involvement requirements were adequately met.

HUD can disapprove a voluntary conversion plan if:

- It is "plainly inconsistent" with the conversion assessment.
- There is reliable information that contradicts the conversion assessment.
- The conversion plan is incomplete.
 - ⇒ For voluntary conversions, convey to HUD any information that contradicts the assessment or demonstrate how the conversion plan is inconsistent with the assessment.
 - ⇒ Although mandatory conversions do not provide a HUD approval process similar to that for voluntary conversions, you will want to assess a mandatory conversion plan and suggest to HUD ways in which a development facing conversion does not meet the standards for required conversion set out in the regulations.

The PHA Plan template deals with conversions at Line 7.0. Instructions require PHAs to describe any building (including the number of units) that the PHA either must convert or volunteers to convert to vouchers. For required conversions, the instructions also require an analysis of the buildings, but do not explain what should be in the analysis. Line 7.0 must also state how much voucher or other assistance will be used to make the conversion.

- ⇒ Advocates will want to take advantage of the PHA Plan process to again challenge a PHA's conversion assessments and/or plans using some of the ideas listed above.
- ⇒ Advocates should make sure the PHA is complying with all provisions of the mandatory conversion regulations.

Resident Participation in the PHA Plan Process

Resident Advisory Boards (RABs)

Each PHA must establish at least one Resident Advisory Board (RAB) to make recommendations and assist in other ways in the drafting of the PHA Plan and any “significant” amendment or modification to it. The RAB membership must adequately reflect and represent residents served by the PHA.

If there is a jurisdiction-wide resident council, then the PHA must appoint it or its representatives as the RAB. If there is not a jurisdiction-wide resident council, but there are project-based resident councils, then they or their representatives must be appointed to serve on one or more RABs. Where voucher residents comprise at least 20% of all assisted households, the PHA must make sure that they have reasonable representation on the RAB(s).

In order to ensure that RABs can be as effective as possible, the PHA must allocate “reasonable” resources to provide “reasonable” means for the RAB to: become informed about programs covered by the PHA Plan; communicate with residents in writing and by telephone; hold meetings with residents; and, access information through the internet.

- ⇒ Does the RAB truly reflect and represent residents, including voucher holders?
- ⇒ Does any resident council that comprises the RAB comply with the tenant participation regulations for public housing?⁸
- ⇒ Was the RAB(s) truly involved in drafting the PHA Plan? In any significant amendment?
- ⇒ Did the PHA provide the RAB with adequate resources to participate effectively?
- ⇒ Advocates will want to work with the RAB(s) in the drafting stage of the PHA Plan process to ensure that public housing will be preserved.

Most PHAs must “consider” RAB recommendations when preparing a final PHA Plan or any significant amendment or modification to it. A copy of the RAB’s recommendations and a description of whether those recommendations were addressed must be included with the final PHA Plan and attached to the template sent to HUD, Line 11.O(f).

For “qualified” PHAs (those with 550 or fewer combined public housing units and vouchers), the law changed in 2008 merely requiring PHAs to consult with the RAB and consider its recommendations about any proposed changes to the PHA’s goals, objectives, and policies at an annual public hearing (see next section).

- ⇒ Advocates will want to be sure all important RAB recommendations, especially those about preserving public housing, were attached to the template sent to HUD and are a part of the PHA Plan in the PHA’s office.
- ⇒ If the PHA did not fairly address RAB comments, make sure to inform HUD about the PHA’s inadequate response.

Resident and Public Participation in the PHA Plan Process

The law and regulations regarding the PHA Plan provide a modest public participation process, which offers additional opportunities to be involved.

- The PHA must conduct “reasonable” outreach to encourage broad public participation.
- Each year, the PHA’s governing board must invite public comment and conduct a public hearing. The hearing must be held at a location convenient to PHA residents.
 - For regular PHAs the hearing must be about a proposed Annual PHA Plan or 5-Year PHA Plan.
 - For “qualified” PHAs (those with 550 or fewer combined public housing units and vouchers), the annual hearing only needs to be about any proposed changes to the goals, objectives, and policies.
- At least 45 days before the public hearing, PHAs must make available for public inspection at the PHA’s main office during normal business hours:

8 under 24 CFR 964

- For regular PHAs, the proposed PHA Plan, required attachments, and other relevant information. (HUD’s “Desk Guide” encourages PHAs to also have this material available at other public locations such as community centers [p. 18].)
- For qualified PHAs, only information about any proposed changes to goals, objectives, and policies.
- All PHAs must publish a notice least 45 days before the public hearing indicating the date, time, and location of the public hearing, as well as the availability of the proposed PHA Plan.
- The final, HUD-approved PHA Plan, along with required attachments and other related documents, must be available for review at the PHA’s main office during normal business hours. (The “Desk Guide” encourages PHAs to also have this material available at other public locations such as community centers [p. 18].)
 - ⇒ If any of these public participation requirements were not truly met, file a complaint, in writing, with your local HUD field office, specifying the shortcomings.
 - ⇒ Use the public hearing to reinforce the importance of preserving the existing stock of public housing.

Filing Complaints with HUD

There are four places in the regulations indicating that writing and calling HUD to complain about the PHA Plan might secure attention and relief from HUD.

- If an RAB claims in writing that the PHA failed to provide adequate notice and opportunity for comment, HUD may make a “finding” and hold up approval of a PHA Plan until this failure is remedied.
- If any element of the PHA’s Annual Plan is challenged, the regulations declare that HUD will review that element before approving a PHA Plan. Line 11.o(g) of the template requires any PHA Plan element challenged by the public be attached to it.

As noted above, advocates should contact their local HUD field office in writing with a description of the complaint. Local offices can be found at <http://www.hud.gov/localoffices.cfm>. HUD can decide not to approve a PHA Plan if it or one of its components: does not provide all of the required information, is not consistent with information and data available to HUD, or is not consistent with the jurisdiction’s Consolidated Plan.

Try to get language in your jurisdiction’s ConPlan giving priority to preserving public housing for extremely low income people. The Consolidated Plan (ConPlan) is a five-year strategic plan for the use of other HUD funds, primarily CDBG and HOME. In the ConPlan is a statement of the housing needs of low income people and the jurisdiction’s priorities for allocating all of its resources to meet those priority housing needs (See Chapter 2).

- To ensure that a PHA complies with all of the policies adopted in its HUD-approved PHA Plan, “HUD shall, as it deems appropriate, respond to any complaint concerning PHA noncompliance with the plan...HUD will take whatever action it deems necessary and appropriate.”

Mid-Year Changes to the PHA Plan

“Significant” amendments to the PHA Plan can take place only after the plan’s formal adoption by the PHA board of directors at a meeting open to the public, and after subsequent approval by HUD. “Significant” amendments are subject to all of the RAB and public participation requirements discussed above. The PHA Plan must define a “significant” amendment on template Line 10.o(b)

Because any policy or program in the PHA Plan can be modified at any time of the year, ask the PHA to alert you to any changes to the Plan.

- ⇒ Review the PHA Plan’s definition of “significant” amendments, and work to change it if written so that few modifications would be judged “significant” and therefore escape the RAB and public participation requirements.

The 5-Year Plan

As mentioned at the very beginning of this chapter, the PHA 5-Year Plan is a presentation of the PHA's mission, goals, and objectives that will enable it to meet the needs of families identified in the Annual PHA Plan. The 5-Year Plan must also have a statement about its goals, activities, policies, and programs to address the needs of victims of domestic violence. The goals and objectives must be quantifiable when possible; for example, a goal of making major repairs to X number of apartments over the next five years. Look for the mission statement on template Line 5.1, and the goals and objectives on template Line 5.2. The 5-Year Plan must also report (which can be found on template Line 5.2) on the PHA's progress in meeting the goals and objectives set in the previous 5-Year Plan.

There are several provisions in the 5-Year Plan that provide advocacy opportunities, during the process of completing both the 5-Year Plan and the Annual Plan:

- The Annual PHA Plan must be consistent with the goals and objectives of the 5-Year Plan.
- The Annual PHA Plan must explain any "substantial deviation" from the 5-Year Plan. A "substantial deviation" must be defined in the PHA Plan.
- The Annual Plan must include a brief statement, on template Line 10.0(a), of the PHA's progress in meeting the goals set in its 5-Year Plan.
 - ⇒ Become familiar with your PHA's existing 5-Year Plan and be on the lookout for any "substantial deviations" from it.
 - ⇒ Work to gain goals and objectives in the next PHA 5-Year Plan that are explicitly designed to:
 - Preserve public housing.
 - Preserve public housing for extremely low income people.

For More Information

- HUD's PHA Plan web page is www.hud.gov/offices/pih/pha/index.cfm.
- HUD's web page for locating your PHA Plan (usually without attachments) is www.hud.gov/offices/pih/pha/approved/.
- HUD's PHA Plan template is at <http://www.hud.gov/offices/pih/pha/templates/>.
- The latest version of the regulations can be found by going to <http://www.access.gpo.gov/nara/cfr/cfr-table-search.html>. Scroll down to "Title 24" and click on the latest. From there, click on "Browse Parts 0-99" and then select "Part 91."
- The PHA Plan Desk Guide (slightly out of date, but instructive) is at www.hud.gov/offices/pih/pha/policy/pha-plan-guide.pdf.
- The latest version of the PHA statute can be found by going to <http://www.gpoaccess.gov/uscode/index.html> and selecting "Browse." Scroll down to "Title 41," select "Chapter 8," and scroll down to "Section 1437c-1."

Qualified Allocation Plan (QAP)

The QAP is a tool advocates can use to influence how their state's share of annual tax credits is allocated to affordable housing projects. Advocates can use the public hearing and comment requirements to convince their HFA to better target tax credits to projects that preserve the existing stock of affordable housing. This chapter presents a sketch of the federal requirements pertaining to QAPs, along with advocacy hints.

What Is the QAP?

The federal Low Income Housing Tax Credit (LIHTC) program has been a major resource for the creation and rehabilitation of housing affordable to lower income households. Although housing tax credits are federal, each state has an independent agency (generally called a housing finance agency, or HFA) that decides how to allocate their share of federal housing tax credits. Each HFA must have a QAP, a “qualified allocation plan,” which sets out the state's priorities and eligibility criteria for awarding federal tax credits (as well as tax-exempt bonds and any state-level tax credits) to housing projects.

As this chapter goes to press, the economic downturn has dampened demand for tax credits for the time being. However, the market is expected to eventually bounce back, so advocates should work to ensure that preservation is well-positioned when the tax credit market is healthy. In addition, the QAP remains important until the market recovers because of the Tax Credit Assistance Program (TCAP). This special program created in 2009 to compensate for the dampened tax credit demand, requires TCAP grants to be allocated competitively by states according to their QAPs. TCAP will continue to be important for several years.

The QAP (qualified allocation plan) is a document that state (and a few local) agencies must have in order to distribute federal housing tax credits, and which many states use to allocate their own state-based tax credits. Tax credits can be awarded only to a building that fits the QAP's priorities and criteria.

What Is In the QAP?

Each QAP must:

- Spell out an HFA's priorities and specify the criteria it will use to select projects competing for tax credits. The priorities must be appropriate to local conditions.
- Give preference to projects:
 - Serving the lowest income residents.
 - Serving income-eligible residents for the longest period of time.
 - Located in “qualified census tracts” (QCTs), which are tracts with a poverty rate below 25% or in which 50% of the households have incomes below 60% of the area median income (AMI).

The selection criteria must address eight items: whether a project includes the use of existing housing as part of a community revitalization plan, location, housing needs, public housing waiting lists, individuals with children, special needs populations, project sponsor characteristics, and projects intended for eventual tenant ownership.

These selection criteria requirements are minimums; most states adopt more rigorous criteria that favor their state's priorities, including preservation of existing federally assisted and other affordable housing. Because each state gets a new allocation of federal tax credits each year, QAPs are usually drafted annually. This gives advocates regularly scheduled opportunities to influence QAP priorities. Despite the recent years' economic downturn, competition among developers to win tax credits remains robust, giving them an incentive to propose projects that give them an advantage in the selection process set out according to the QAP's priorities.

Preservation Opportunities in the QAP

The QAP offers preservation opportunities within the plan's priorities, selection process, and preferences.

Priorities, Selection Criteria, and Preferences in the QAP

In 2009 nearly half of all states' QAPs had some form of preference for preservation activities.

HFAs can target tax credits in several ways:

- The QAP can establish thresholds for preservation, minimum requirements for preservation that projects must meet simply to get in the game. This seems to have limited applicability for preserving housing, but can be used with new projects to improve targeting to extremely low income people or ensure longer availability to low income people.
- The QAP can establish a set-aside, reserving a specific percentage or dollar amount of any given year's tax credit allocation for preservation-oriented projects. For example, Indiana sets aside 20% for preserving federally assisted projects.
- The QAP selection process can give preferences (in the form of extra points) to encourage developers to submit preservation-oriented projects. For example, Nebraska offers three points to preservation projects, plus an additional three points if the project will remain affordable for 45 years.

Preservation Opportunities and the Priorities, Selection Criteria and Preferences

- ⇒ Work to ensure that the preservation of existing, federally assisted housing is clearly stated as a high priority.
 - Recall that QAP selection criteria must address project characteristics, "including whether a project includes the use of existing housing as part of a community revitalization plan."
 - If the QAP only has a general statement of goals, work to get very specific set-asides or preference points for preservation. Some states only have very general goals; these are ripe for efforts to introduce set-asides and extra points for preservation.
 - If the QAP has too many "priorities," effectively rendering preservation one of many worthy efforts, work to narrow the number of priorities or work to establish relative priorities so that preservation can compete more effectively.
 - For example, one state listed nine general goals, only one of which was "To prevent the loss from the existing stock of low income rental housing of those units under expiring contracts with federal agencies or subject to prepayment which, with the allocation of tax credits, would be converted to market rate units."
 - Determine whether there are types of assisted-housing that should be at the top of the priority list, for example units with more than two bedrooms. Work to ensure that they are positioned to better compete.
 - If the QAP does give some priority to preservation projects, does it cover all of the types of housing at risk of losing a federally required "use restriction?" (For example, is occupancy restricted to lower income people, and are these people restricted to paying limited rents?) What types of affordable housing at risk are most important to you and should therefore have the greatest priority?
 - A QAP might merely offer bonus points to existing tax credit projects that are approaching the end of their use restriction period, or to prevent foreclosure of federally assisted projects. Advocates might want to be sure other types of situations and subsidies are included, such as: expiring subsidized FHA-insured mortgages; expiring Section 8 contracts; expiring HOME affordability periods; expiring Rural Development Section 515 mortgages; or, Section 515 projects in danger of "prepaying" the mortgage and leaving the program.
 - Some limit tax credit priorities to projects with expiring use restrictions in the current year; if this is not enough time, advocates might want to open up the window of opportunity to include projects that will be at risk in two, three, or five years.
 - Does the QAP take into consideration the potential loss of assisted housing due to owners allowing them to deteriorate?

- ⇒ Work to ensure that rural projects can get fair access to tax credits. Ohio devotes 20% of its preservation set-aside to rural projects.
- ⇒ Determine whether it is important to emphasize large or small projects. In previous years, West Virginia gave 10 more points to projects with fewer than 50 units.
- ⇒ Review the QAP to find out how long low income units must serve lower income people.¹ If it is only the basic 15 years, plus extended use period of another 15 years:
 - Try to get the “compliance period” lengthened as a threshold issue (Maine has a 90-year threshold); or,
 - Try to get set-asides and/or bonus point preferences for projects that agree to a longer compliance period. (Massachusetts has a 35% preservation set-aside and provides 3 points for a 50-year affordability period or 6 points for perpetual affordability.)
- ⇒ If current policies limit access to preservation projects relative to need, work to modify these policies. For instance, if tax credits are allocated “equally” in a way that distributes them geographically throughout the state, preservation projects might be unduly denied tax credits if most are concentrated in particular geographic areas.
- ⇒ If current criteria put preservation-oriented projects at a disadvantage, work to have them modified or removed entirely. For example, some states awarded more points for projects with more bedrooms or in-unit laundry equipment – good features for families, but features which place rehab at a disadvantage. Therefore, advocates in such situations should seek separate point systems for new construction and rehabilitation.
- ⇒ Some states give priority to environmentally sound (“green”) projects – also a very good feature, but one that can place rehab at a disadvantage to new construction. Advocates should work to ensure that the QAP:
 - Acknowledges rehab as inherently “green.”
 - Defines “green” as following the Enterprise Green Communities Criteria (<http://www.greencommunitiesonline.org>)
 - That “green” preference features are appropriately tailored for new construction and rehab projects.

Public Participation and Other Procedural Handles in the QAP Process

There must be a public hearing about a proposed QAP before it is approved by the unit of government overseeing the HFA. The law and regulations do not provide any more guidance regarding the public hearing. Although not required in federal law or regulation, most states also require a public review and comment period for a proposed QAP.

- ⇒ Advocates should contact the HFA early to learn about its annual QAP process and build this into the work plan for the year.
- ⇒ Advocates should be sure to get on any notification list the HFA might have about the QAP and public hearing.
 - Is there adequate advance notice?
 - Is the draft QAP available to the public in enough time to analyze it?
 - Are multiple hearings in different parts of the state warranted?
 - Is it possible for advocates to submit written comments?

11. The law requires units to be rent-restricted and occupied by income-eligible households for at least 15 years (called the “compliance period”), with an “extended use period” of at least another 15 years (30 years all together). Some states require “extended low income occupancy commitments” greater than 30 years or provide incentives for projects that voluntarily agree to longer commitments. Where states do not mandate longer restricted-use periods, during the 14th year of the 15-year compliance period, an owner can submit a request to the HFA to sell a project or convert it to market rate. The HFA has one year to find a buyer willing to maintain the rent restrictions for the balance of the 30-year period. If the property can’t be sold to such a “preservation purchaser” then the owner’s obligation to maintain rent-restricted units is removed and lower income tenants receive enhanced vouchers enabling them to remain in their units for three years.

Once an HFA has decided to award tax credits to a building, it must notify the chief executive officer (e.g., mayor, county executive) of the local jurisdiction where the building is located. That CEO must have a reasonable opportunity to comment on the project.

- ⇒ Advocates should ask the Executive's office and any relevant "housing" department at the locality to notify them as soon as the HFA contacts the Executive about a proposed project. (Advocates might also seek an HFA policy that notifies interested parties at the same time the CEO is notified, just in case the local officials are not cooperative.)
- ⇒ Advocates should seek a local policy requiring public notice and comment, along with public hearings, about a proposed project.

There must be a comprehensive market study of the housing needs of low income people in the area to be served by a project before tax credits are allocated. The project developer must hire a disinterested, third party approved by the HFA to conduct the market study.

- ⇒ Advocates should be aware of this requirement but need not get too distracted by it. If it seems critical and if advocates have the resources, in some problematic circumstances it might be helpful to assess the market study based on knowledge of the community (if necessary, seek technical help from a local university, legal services, or friendly community development corporation) and submit written or verbal challenges to aspects of the market study you disagree with.

If a building that does not fit the QAP's priorities is to get tax credits, the HFA must provide a written explanation and make it available to the public.

- ⇒ Advocates should be on the lookout for any such written explanation, or the failure to complete one.
- ⇒ If it is too late to reverse a decision you disagree with, use the critique of the written explanation as an example of a project to avoid when helping to shape next year's QAP.

Other advocacy ideas include:

- ⇒ Find out who is on the governing board and staff of the HFA and get to know them so that you can communicate your priorities throughout the year. Build relationships with the HFA staff and be in touch with them frequently.
- ⇒ Be sure to get added to any relevant listservs.
- ⇒ Be sure to get invited to any stakeholder meetings or focus groups.
- ⇒ Monitor the HFA's web site.
- ⇒ Don't wait for the formal QAP comment period or public hearing. Use relationships built with HFA staff to weigh in long before a draft QAP is formally announced for comment.
- ⇒ Encourage the Governor and state representatives and senators to emphasize preservation so that the HFA staff hear that "political" message and respond.
- ⇒ Contact Tracy Kaufman at the National Housing Trust. Ms. Kaufman follows the QAP practices of HFAs and can help identify an HFA's allocation cycle, suggest key HFA staff to contact, and provide sample comment letters. 202.333.8931 x 29 or tkaufman@nhtinc.org; www.nhtinc.org.

For More Information

- For a basic description of the Low Income Housing Tax Credit program, see NLIHC's latest Advocates' Guide to Housing and Community Development Policy from the link on our homepage, <http://www.nlihc.org>.
- HUD's HOME Program web site has links to a firm that lists the HFAs in all states at http://www.novoco.com/low_income_housing/lihtc/information_state.php.
- That HOME Program link also is a source of state QAPs at http://www.novoco.com/low_income_housing/lihtc/qap_2009.php.
- A capsule description of the preservation-oriented features of each state's QAP is available from the National Housing Trust at http://www.nhtinc.org/pub_pol_lihtc_new.asp.

Continuum of Care Plan and Ten-Year Plan to End Homelessness

The Continuum of Care Plan created by HUD in 1994 involved multiple local stakeholders in an assessment of the needs of homeless people and the creation of a plan for delivering housing and services to meet those needs. It has been used to distribute funding for federal homeless programs. The Continuum of Care Plan was formally recognized in law by the HEARTH act of 2009.

The first part of this chapter presents a sketch of the Continuum of Care Plan. It is not a comprehensive introduction to the Continuum of Care Plan; rather, its focus is on potential ties to preserving the stock of federally assisted affordable housing. Compared to the federal plans discussed in previous chapters, the Continuum of Care Plan offers few hooks for advocates to use in an attempt to preserve federally assisted housing. Nevertheless, advocates concerned about preserving the stock of federally assisted housing serving homeless people should be alert to any potential problems.

The chapter ends with a discussion of preservation opportunities in the Ten-Year Plans to End Chronic Homelessness that have been developed in many communities.

What Is the Continuum of Care Plan?

Prior to 1994, nonprofits and local governments independently submitted separate applications for each of the three McKinney-Vento homeless programs: the Supportive Housing Program (SHP); the Shelter Plus Care Program (S+C); and, the Section 8 Single Room Occupancy (SRO) Program. Then, in 1994, HUD created the Continuum of Care process under its administrative authority. The intent of the CoC process was to foster a single, coordinated, comprehensive planning process to create long-term solutions to the problem of homelessness, and to serve as an application mechanism to apply for HUD homeless assistance program funds.

“Continuum of Care” became an umbrella term that covered a planning process involving all stakeholders in the creation of a plan to prevent and end homelessness, concretely realized in an application to HUD for funds from the McKinney-Vento programs. The Continuum of Care was HUD’s local planning process involving government agencies, service providers, and advocates who met to assess the needs of homeless people and to devise a plan for delivering housing and services to meet those needs. Once a plan was developed, “the Continuum” or “the CoC,” as these planning bodies were generically called, apply for HUD McKinney-Vento homeless assistance funds to develop and/or operate transitional housing, supportive services, and permanent housing for homeless people.

HUD’s 2009 Notice of Fund Availability (NOFA) defined a Continuum of Care (CoC) as: A collaborative funding and planning approach that helps communities plan for and provide, as necessary, a full range of emergency, transitional, and permanent housing and other service resources to address the various needs of homeless persons.

President Obama signed the bill creating the HEARTH act on May 20, 2009. HEARTH made a number of changes to the homeless assistance programs administered by HUD, including expanding homelessness prevention and emphasizing rapid re-housing when people become homeless. The bill also officially created the Continuum of Care process, which had initially been developed administratively by HUD.

Preservation in the CoC Plan

Compared to the Consolidated Plan, PHA Plan, and QAP, the Continuum of Care Plan offers few opportunities for advocates to seek language that helps preserve federally-assisted housing. There are two reasons. First, the Continuum of Care Plan, while a plan, is also an application for Continuum of Care Program funds that does not have characteristics which raise major preservation concerns. Second, there are no statutory or regulatory obligations tied to the Continuum of Care Plan.

However, there are several points within the CoC Plan at which advocates can push for strong preservation-related language.

Among its changes to federal homeless programs, the HEARTH act consolidates into a new single “Continuum of Care Program,” the three “McKinney-Vento Programs” previously known as Shelter Plus Care, Supportive Housing, and Moderate Rehab/SRO.

Two of the eligible uses of Continuum of Care Program money include:

- Payment of operating costs for the preservation of housing that will serve homeless individuals and families and for which another form of assistance is expiring or otherwise no longer available.
 - Project-based rental assistance to preserve existing permanent supportive housing for homeless individuals and families.
- ⇒ Advocates will want to ensure that these two eligible uses are fully employed when appropriate.

Among the selection criteria for HUD to consider in the national competition for “Continuum of Care Program” funds, HUD must assess an applicant’s “plan” describing: how it will reduce the number of people who become homeless and the length of time they are homeless; how it will collaborate with education authorities to identify homeless households and inform them of their eligibility for education-related services; and, the extent to which the applicant will address the needs of key subpopulations and use comprehensive strategies for reducing homelessness.

- ⇒ Advocates will want to make sure that the comprehensive strategy for “reducing” homelessness includes prevention of homelessness in part by helping to preserve federally-assisted affordable housing. If a Section 236 below market rate loan reaches its expiration date, for example, will the tenants be able to afford new rents or find alternative affordable homes – or will they become homeless?

While not strictly a “plan”, the next application assessment factor in the law has aspects that are key to planning decisions. It directs HUD to consider an applicant’s method for determining priority for funding projects. One factor HUD is to weigh is the extent to which the applicant considers the full range of opinions from individuals or entities that have an interest in preventing homelessness.

- ⇒ Advocates will want to make sure that they offer opinions about the importance of preserving federally assisted affordable housing during any public participation process associated with the Continuum of Care Program application period. In addition, advocates will want to ensure that the “Collaborative Applicant” (the new term for the entity that applies for the funds) includes preservation comments and has given them due consideration.

Collaborative Applicants

Prior to the HEARTH Act, most Continuums were organized by either a local government agency or a large community nonprofit. Continuum of Care “systems” decided what geographic area they covered. A CoC could cover any geographic area that made sense to local stakeholders; for example, a CoC could cover a city, a city and its suburbs, the suburbs surrounding the city, a county or multiple counties, a metro area, or a state.

The Continuum of Care planning process was a community-wide or region-wide effort involving nonprofits, government agencies, public housing agencies, community-based organizations, other homeless providers, service providers, housing developers, homeless and formerly homeless people, school systems, businesses and business associations, funding providers, law enforcement agencies, and other public and private entities.

The HEARTH Act established a new term, the “Collaborative Applicant,” which is to be established by “relevant parties” in a geographic area in order to serve as the applicant for project sponsors that wish to jointly submit a single application for Continuum of Care Program funds. The Collaborative Applicant will design a collaborative process for the development and submission of an application, set priorities for funding programs, distribute funds to project sponsors, and participate in the Consolidated Plan process. A Collaborative Applicant does not have to be a legal entity, but legal entities (instrumentalities of states or local governments, or nonprofit 501(c)(3)s) can receive funds directly from HUD.

The HEARTH Act does not spell out how the collaborative process for developing an application should be structured, unlike the public participation process for the Consolidated Plan. Perhaps the final regulations anticipated in May 2010 will provide minimum requirements.

- ⇒ Advocates will want to be sure there is a process that includes an opportunity for those concerned about the preservation of federally assisted affordable housing to be engaged.

Supportive Housing

Preservation of housing assisted with one of the previous McKinney-Vento programs has not been a significant problem because virtually all assisted projects are owned by nonprofits or public agencies. However, in the past some nonprofits reportedly had difficulty continuing to operate a facility assisted with a Supportive Housing Program (SHP) grant for 20 years when required by the grant agreement.

- ⇒ Advocates will want to identify SHP projects that received funds for acquisition, rehab, or new construction and monitor their well-being, particularly those projects reaching the end of their 20-year use restriction.

HUD has been urging CoCs to shift McKinney-Vento activities away from a service-dominated approach to one of creating permanent supportive housing. Starting in 1999, Congress required that at least 30% of the total amount of homeless assistance grants finance permanent housing for all homeless populations. The HEARTH act will require 30% of funding nationally (not for each individual Continuum) be for new permanent housing for individuals with a disabling condition, or families with an adult who has a disabling condition. The HEARTH act will also require that at least 10% of the funding be used for permanent supportive housing activities for homeless families, which include families with or without a member with a disability. The HEARTH act will require new permanent housing or housing bought or rehabbed for use as permanent housing to be used only for these purposes for at least 15 years.

- ⇒ Twenty years or so from now, the SHP projects funded prior to FY10 will need to be on advocates' radar to ensure that they remain in the inventory.
- ⇒ Advocates will also need to be watchful of new permanent housing created after implementation of the HEARTH act to ensure units remain in use and affordable after the first 15-year "use restriction" period.

Although there are no regulatory hooks in the Continuum of Care Plan and process, there might be an incentive for a CoC to contain language discussing the preservation of non-Continuum of Care Program-assisted housing. Because communities are competing with each other to win homeless assistance funds, every little feature can have an impact.

NOFAs

The HEARTH Act continues the practice of requiring HUD to issue Notifications of Funding Availability (NOFAs) as a means of seeking applications from Collaborative Applicants wishing to compete for Continuum of Care Program funds. Awards points.... As in the past, the requirements in the NOFAs are likely to vary from year to year.

One set of criteria HUD typically identifies in NOFAs pertains to the overall quality of a CoC's planning efforts to prevent and end homelessness (in 2009 the NOFA awarded 22 out of 100 points for this.) A strong preservation component included in a Continuum of Care Plan might lead to a better score and therefore more money from HUD for homeless assistance. One aspect of CoC planning indicated in the 2009 NOFA was the extent to which the Continuum of Care Plan integrates the Consolidated Plans of the jurisdictions in the CoC's community. If Consolidated Plans contain preservation priorities and the Continuum of Care Plan reflects those priorities, then the Continuum of Care application might be awarded extra points from HUD.

- ⇒ Advocates will want to study each year's NOFA for opportunities to point to the need to preserve federally assisted affordable housing as a component of homelessness prevention.

Program Regulations

As this chapter goes to press, many of the regulatory features which will guide future Continuum of Care Plans have yet to be drafted by HUD, because of the newness of the HEARTH act. Final regulations are not expected until May, 2010. This chapter, therefore, can only suggest preservation ideas based on what is in the HEARTH act.

- ⇒ Advocates will want to become familiar with the regulations when they become available because regulations frequently offer a few more opportunities for monitoring and advocacy.

Public Participation and the CoC Process

Advocates not already participating in your existing CoC should consider getting involved. HUD's list of local CoCs and which agency is coordinating the CoC (and will thus likely become the "Collaborative Applicant") is at: <http://www.hudhre.info/index.cfm?do=viewCocContacts>.

Learn the dates and topics of upcoming CoC planning meetings and when the next HUD NOFA is likely to be issued. Be sure that you and your allies are able to meaningfully participate in assessing needs, assigning priorities, and designing programs.

What Is the Ten-Year Plan to End Homelessness?

There is no law, regulation, or Executive Order creating Ten-Year Plans to End Chronic Homelessness. In 2000, the National Alliance to End Homelessness released *A Plan, Not a Dream: How to End Homelessness in Ten Years*. Since the release of that blueprint, HUD under the Bush Administration endorsed the idea of planning to end chronic homelessness in ten years, and the U.S. Interagency Council on Homelessness (ICH) challenged cities to create plans to end homelessness. As of December 31, 2008, 860 cities and counties had partnered in 355 Ten-Year Plans.

Ten-Year Plans have been reflected in the requirements and scoring points in pre-HEARTH Act NOFAs pertaining to McKinney-Vento Homeless Assistance programs. The HEARTH Act recognizes Ten-Year Plans to End Homelessness by requiring the Interagency Council on Homelessness to encourage the formulation of jurisdictional Ten-Year Plans.

The 2009 NOFA defined a "chronically homeless person" as:

An unaccompanied homeless individual with a disabling condition who has either been continuously homeless for a year or more, or has had at least four episodes of homelessness in the past three years. A disabling condition is defined as: a disability as defined in the Social Security Act; a physical, mental, or emotional impairment which is expected to be of long-continued and indefinite duration, substantially impedes an individual's ability to live independently, and of such nature that the disability could be improved by more suitable conditions; developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act; the disease of acquired immunodeficiency syndrome or any conditions arising from the etiological agency for acquired immunodeficiency syndrome; or a diagnosable substance abuse disorder. The term "homeless" in this case means a person sleeping in a place not meant for human habitation (e.g., living on the streets), in an emergency homeless shelter, or in a Safe Haven as defined by HUD.

The 2009 NOFA awarded 22 out of 100 points in the competition for homeless assistance funds to the ranking factor "CoC Strategic Planning." Among the four components under this factor, one was "The existence of, and alignment with, a performance-based ten-year strategy for ending chronic homelessness that establishes specific action steps..."

While the Ten-Year Plan language does not offer advocates an enormous opportunity to push the preservation of federally assisted housing, advocates should keep on their radar the Ten-Year Plan and any opportunities it might offer at the local level.

For More Information

- HUD's Homeless Assistance home page is <http://www.hud.gov/offices/cpd/homeless/index.cfm>.
 - HUD's Homelessness Resource Exchange is <http://www.hudhre.info>.
 - To find the current NOFA go to www.hud.gov/offices/cpd/homeless/programs/index.cfm.
 - The National Alliance to End Homelessness' HEARTH Act page is http://www.endhomelessness.org/section/policy/legislature/mckinney_vento.
 - The National Alliance to End Homelessness' Ten-Year Plan To End Homelessness home page is <http://www.endhomelessness.org/section/tools/tenyearplan/execsum>.
 - The Interagency Council on Homelessness web site is www.ich.gov/.
- For an easy to read overview of the HEARTH Act, see the summary prepared by the National Alliance to End Homelessness, <http://www.endhomelessness.org/content/article/detail/2098>.

A How-To Guide for Building and Maintaining a Database of Subsidized Housing

Subsidized multifamily rental housing can be at-risk of leaving the affordable housing stock for any number of reasons. These reasons include: an owner's intent to prepay a subsidized mortgage or not renew a project-based rental subsidy contract; uninhabitable living conditions prompting a HUD foreclosure; or the decision of a PHA to demolish public housing and replace it with mixed income housing – or not at all.

Creating a database of subsidized multifamily rental housing is vitally important to preserving the assisted housing in your community. Without one, it is very difficult to know how much affordable housing is available, where it is located, and how the number of subsidized units has expanded or contracted over time.

Organizations that understand the importance of knowing how much and where the assisted stock is located also know that many projects benefit from multiple layers of subsidy. HUD makes data on specific affordable housing programs available to the public, but nowhere does the department combine these files into one database that counts each subsidized project only once and associates it with all of the subsidies that make it affordable to low income households.¹

This chapter² spells out – step-by-step – exactly how to create such a database,³ one that integrates all publicly available data into an easy-to-use “preservation catalog.” NLIHC has chosen to call these databases “preservation catalogs” because each is an essential tool to understanding (a) what properties are available to low-income households in your community and (b) what factors threaten the affordability of each project.

1. Download HUD Datasets

Begin by creating a new Access database. You will import the following files into this new database, and they will form the foundation of your preservation catalog. If any of the links below become inactive, go to <http://www.hud.gov/offices/hsg/mfh/mfdata.cfm> to search for the relevant database.

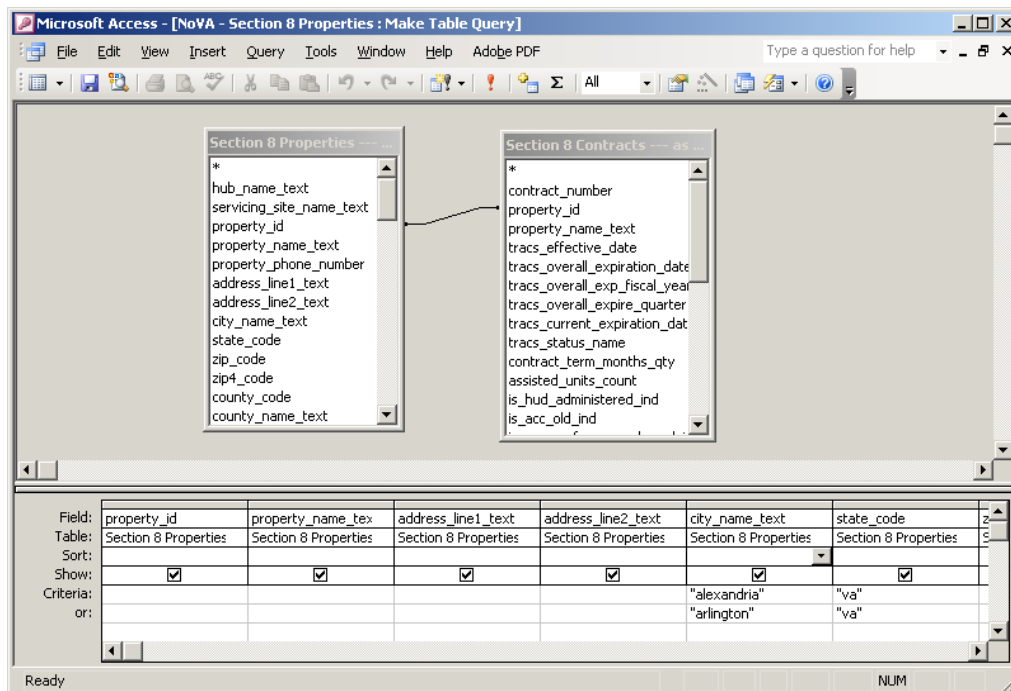
The Multifamily Assistance and Section 8 Contracts database (at www.hud.gov/offices/hsg/mfh/exp/mfhdiscl.cfm) contains information on all active assistance and Section 8 contracts and it includes two tables: one describing properties and one with information on project-based contracts. Download the database and import the two tables into your preservation catalog. Join the tables in an Access query by their [property_id] fields. In the same query, specify the geographic criteria of interest – Alexandria or Arlington, VA, in this example. Create a table from the selected records (Query – Make Table Query) (Figure 1). One word of caution is that some properties have more than one contract, which will result in multiple records for the same property. (One method for dealing with this situation is described in Section 3.) In the remainder of this document, this table is referred to as the “Section 8 table.”

¹ The information provided in this chapter on publicly available HUD data is current as of this writing. Should HUD adjust its current practices regarding data provision, specifics in this document may need to be revisited.

² NLIHC developed this document as it created a subsidized housing database for projects in Arlington County and Alexandria City, VA.

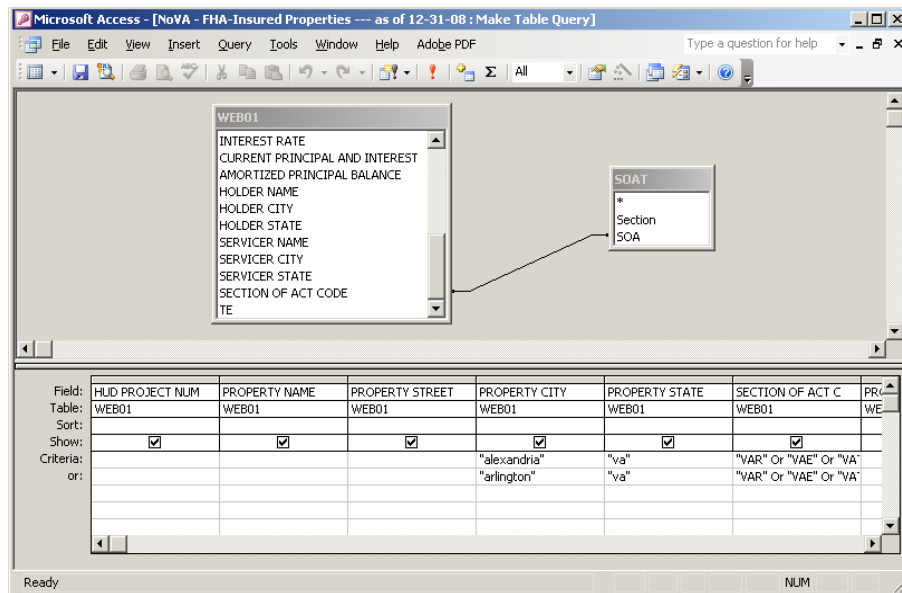
³ The guidance provided in this research note is written specifically for those using Microsoft Access to create and manage their preservation catalog, but the basic principles would likely apply to other database software. This chapter is written so that those with basic knowledge of Microsoft Access can create a preservation catalog.

Figure 1: Creating a New Table from the Section 8 Properties and Contracts Tables



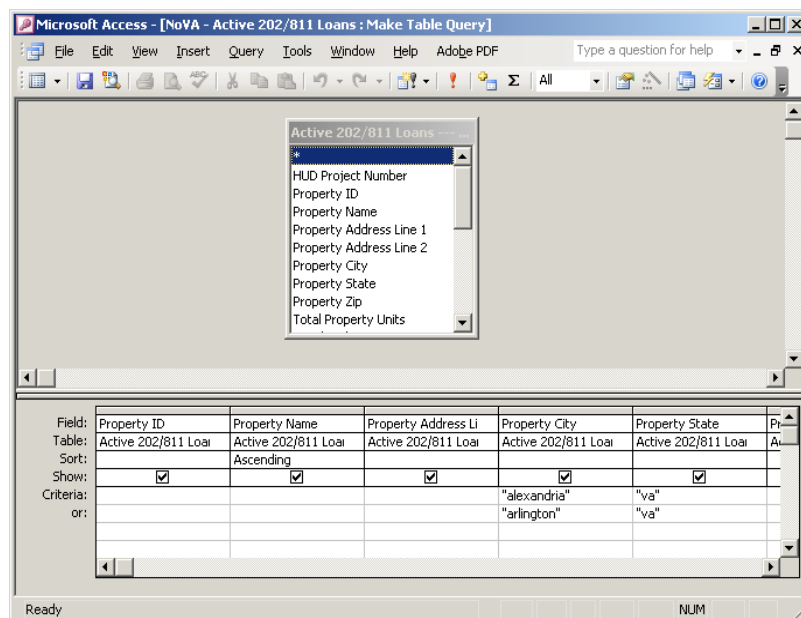
The Insured Multifamily Mortgages Database (at www.hud.gov/offices/hsg/comp/rpts/mfh/mf_f47.cfm) contains all HUD Multifamily insured mortgages and can be downloaded in Access or dbf format. The Access database is called F47A.mdb. Download the database and import both of the tables included (labeled WEB01 and SOAT) into the preservation catalog database. Then create a Make Table query and join the two tables by linking the WEB01 table's [section of act code] field with the SOAT table's [SOA] field (Figure 2). In the query, specify the geographic selection criteria (state and/or city) and also select only properties that have one of the following in the [section of the act code] field: VAR, VAE, VAT, MMB, MMT, ZFL, ZFR. These are the only FHA mortgage programs that are income restricted for low-income households. In the Make Table query, be sure to include the [section] field from the SOAT table because it indicates what kind of FHA-insured property is in the table (e.g., VAR corresponds to a "236(j)(1)/ Lower Income Families" property). In the remainder of this document, this table is referred to as the "FHA table."

Figure 2: Creating a New Table from the FHA Tables



The 202 Direct Loans table⁴ (at www.hud.gov/offices/hsg/mfh/202directloan.cfm) contains all active 202 direct loans for housing for the elderly and disabled. This table can be downloaded as an Excel or CSV file, and either format can be imported into your preservation catalog. In a Make Table query, specify your preservation catalog's geography and create a table of Section 202 properties (Figure 3). In the remainder of this document, this table is referred to as the "202 Direct Loans table."

Figure 3: Creating a New Table from the 202 Direct Loans Dataset

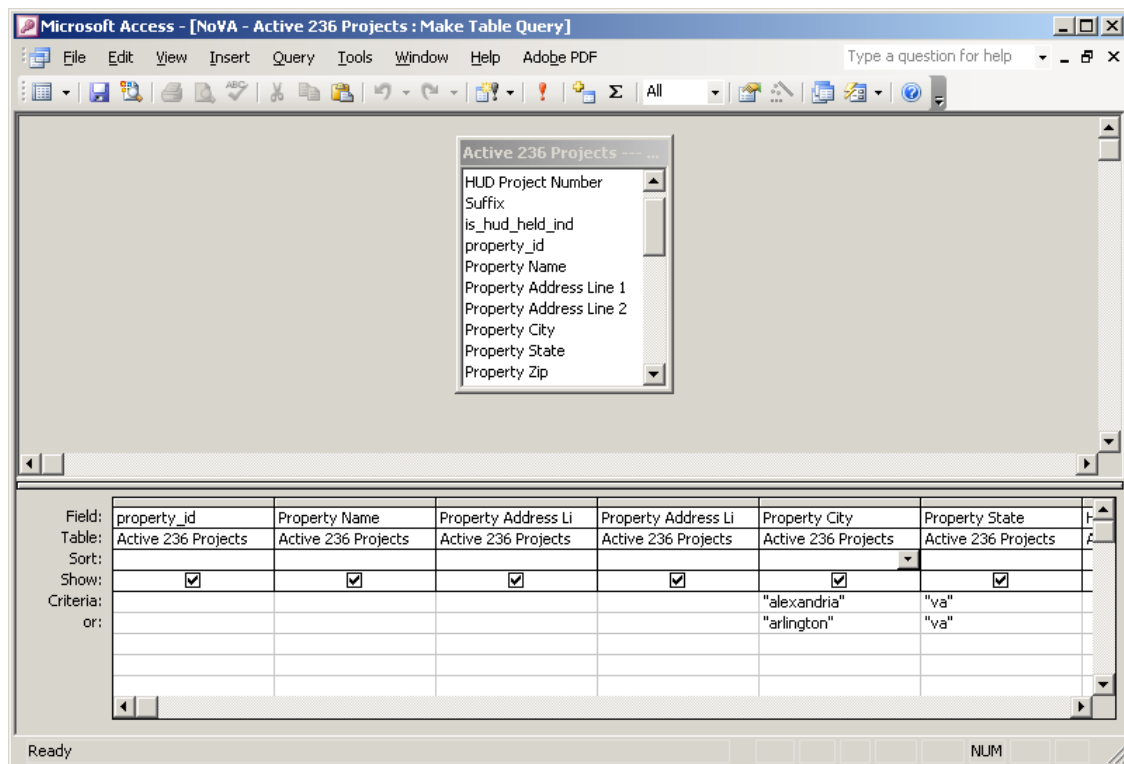


The Active Section 236 Projects data table (this table is not currently available; check <http://www.hud.gov/offices/hsg/mfh/mfdata.cfm> periodically to see if it is reposted) can also be downloaded as an Excel spreadsheet or as a CSV file.

4 This table was previously titled “Active 202/811 Loans.” This is a name change only, the 202 Direct Loans table still contains all of the same information that was contained in the Active 202/811 Loans table.

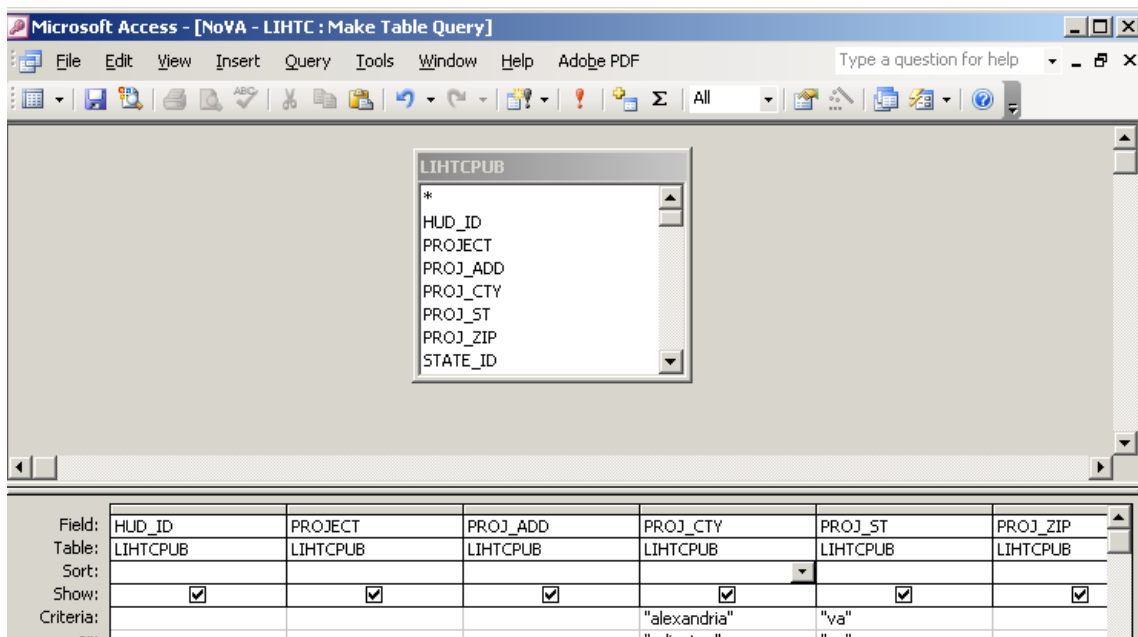
Download and import into your preservation catalog. In a Make Table query, specify the geography of interest and create the table (Figure 4). Of note here is that many of these projects will be duplicated in the FHA table, so you will have to be aware of that when you combine and clean these tables in Sections 2 and 3, below. In the remainder of this document, this table is referred to as the “Active 236 table.”

Figure 4: Creating a New Table from the Active 236 Projects Dataset



The Low Income Housing Tax Credit (LIHTC) database (at www.huduser.org/datasets/lihtc.html#data) contains information on LIHTC units placed in service between 1987 and 2007. This database can be downloaded as part of a zip file. Extract the lihtcpub.dbf file and import it into your preservation catalog. (The data dictionary in the zip file will also come in handy as you interpret the data in this table.) Again, specify the geography of your preservation catalog in a Make Table query and create a table from these records (Figure 5).

Figure 5: Creating a New Table from the LIHTC Dataset

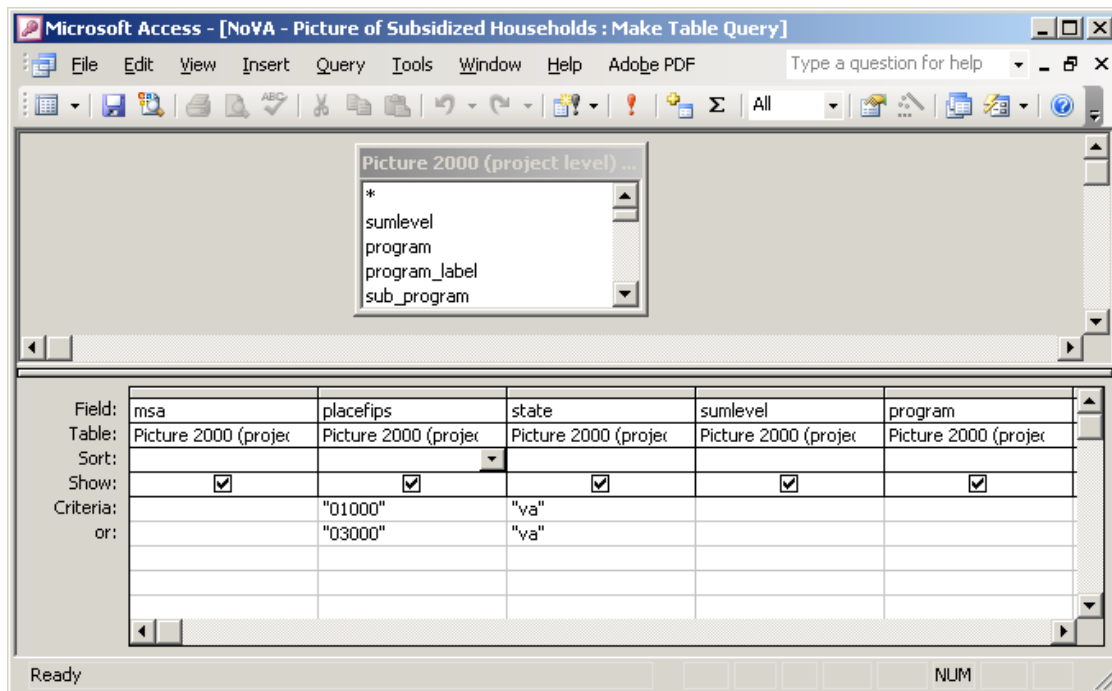


A Picture of Subsidized Households (at <http://www.huduser.org/datasets/assthsg.html>)⁵ is an aggregation of the subsidized housing in a given area. It was recently updated to describe the characteristics of assisted housing units and the residents living in those units as of 2008. It contains data on most of the assisted multifamily programs listed above and is currently the only publicly available dataset that includes public housing. As a result, you should download the development file for the U.S., import the file (2008_development.zip) into your preservation catalog, and select projects that are located in the area covered by your preservation catalog (Figure 6). The file does not include city or county names – only state abbreviations – so if you’re creating a sub-state catalog, you must find the FIPS code for the metropolitan area or city of interest.⁶ In the remainder of this document, this table is referred to simply as “Picture.”

⁵ As of this writing the most recent dataset is from 2008. HUD may release the reports for the years between 2000 and 2004 soon and expect to release this information annually going forward.

⁶ A Federal Information Processing Standards (FIPS) code is assigned to units of census geography, and in Picture, this code identifies in which geography subsidized housing projects are located. More information on FIPS codes for specific geographies can be found at www.census.gov.

Figure 6: Creating a New Table from the Picture Dataset

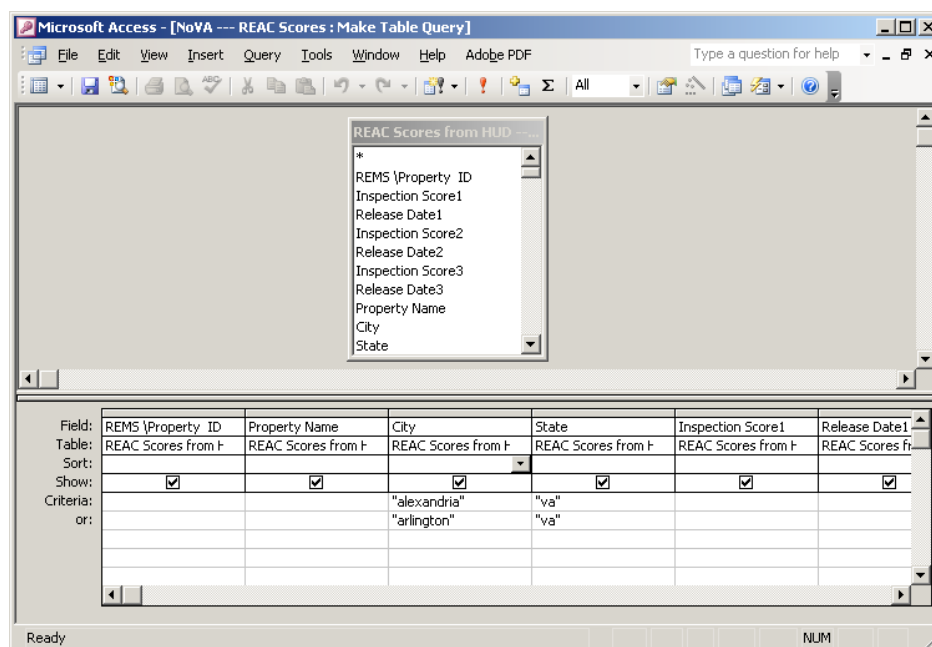


Although the information on public housing projects provided in Picture is useful, it should be viewed as a preliminary foray into learning about a community's public housing stock. Outreach to public housing authorities for more up-to-date information is strongly recommended.

The Physical Inspection Scores table is the last national dataset that you'll want to import (at www.hud.gov/offices/hsg/mfh/remss/remssinspscores/remssphysinspscores.cfm). These scores are sometimes called REAC scores, which stands for Real Estate Assessment Center. An Excel file containing the most recent published scores⁷ for HUD properties can be downloaded and imported into your preservation catalog. Create a table for the properties in your geographic area of interest using a Make Table query (Figure 7). In the remainder of this document, this table is referred to as the "REAC table."

⁷ Remember that REAC scores for inspections conducted since the file was last updated will not be included.

Figure 7: Creating a New Table from the REAC Table



For each of these program-specific tables, it is recommended that you right-click on the table, go to Properties, and write a note in the text box indicating the vintage of the data – either the “as of” date provided by HUD or the date that you downloaded the file. You should also open each of these new tables in Design View and add a [Notes] field. Be sure to make this a text field with 255 characters (the maximum that Access allows). This field will be used to capture project-specific notes that you want to record (discussed in Section 3).

With these datasets downloaded, your preservation catalog will contain files for all of the federal housing subsidy programs for which data are publicly available. However, it will not be complete because data are not available for the following federal programs that subsidize rental properties across the country: USDA rural rental housing; HOME; tax-exempt multifamily housing bonds; Section 8 Moderate Rehabilitation (Mod Rehab); project-based vouchers; Housing Opportunities for Persons with AIDS (HOPWA); and McKinney-Vento permanent housing. Also, it is important to note that even the datasets for those programs with available data are missing variables that advocates consider important to preservation efforts.⁸

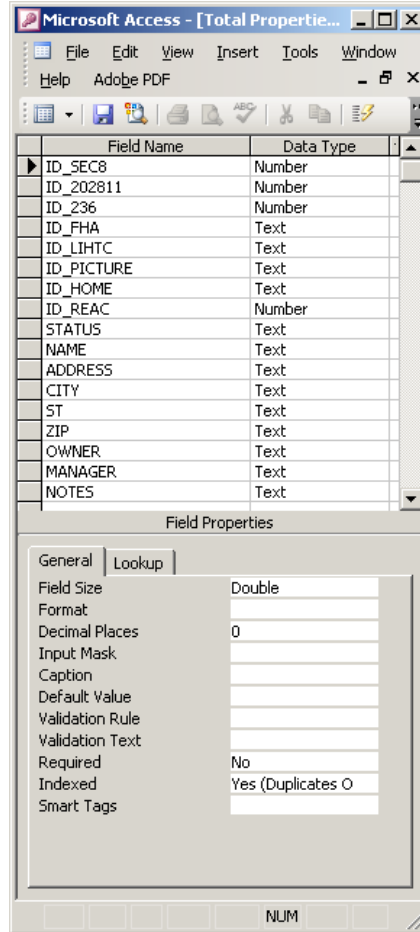
2. Create a Total Properties Table

The first step in combining all of these individual program tables is to create a new table called Total Properties with the following fields: an ID field for each subsidy program; property name; address; city; state; zip; owner; manager; and a field for notes on the property.⁹ Note in Figure 8 that some ID fields are text while others are numeric. This is done in order to be consistent with the field types in the HUD tables that you just downloaded.

⁸ See <http://www.nlihc.org/doc/DatasetIntegrationArticle.pdf> for an earlier NLIHC discussion of data quality issues and recommendations to HUD regarding data provision. See <http://www.nlihc.org/doc/MatrixforWeb.pdf> for a matrix of data availability for the various subsidized housing programs.

⁹ This table has an ID_HOME field because in this example, NLIHC had access to HOME data. As mentioned above, however, HUD does not make HOME data publicly available, so most preservation catalogs will not include fields related to the HOME program.

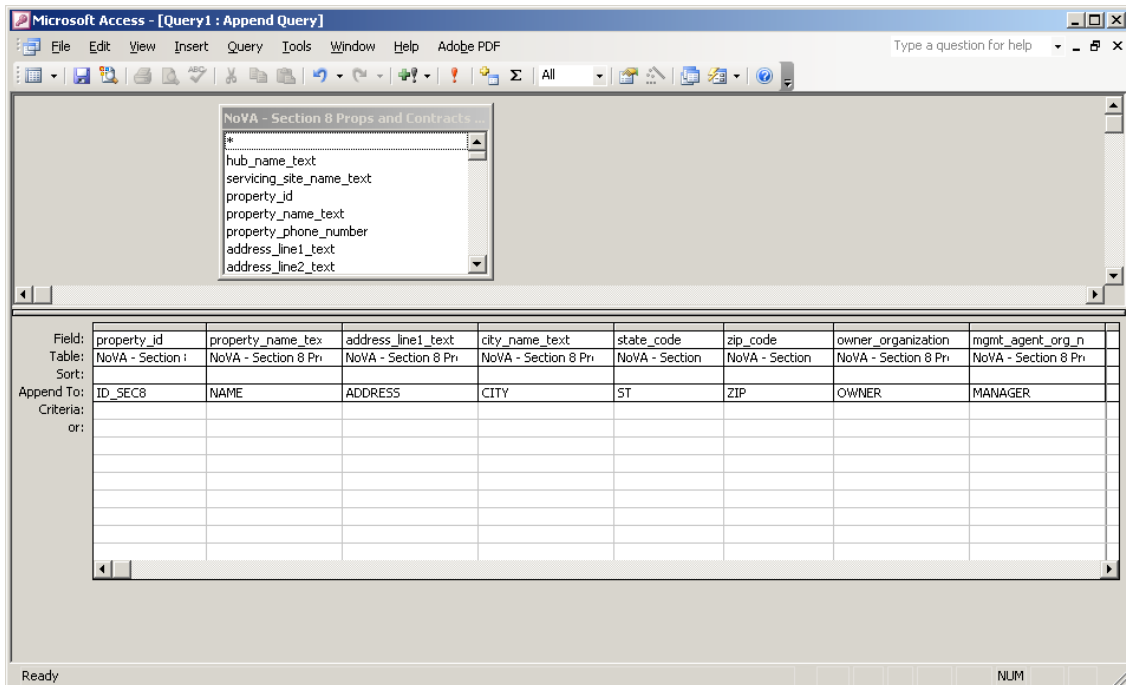
Figure 8: Total Properties Table in Design View



Now comes the task of populating Total Properties with data from each program table. Three of these six tables include [property ID] fields that are consistent across the datasets because they contain HUD identifiers from its Real Estate Management System (REMS IDs). These tables – Section 8, 202 Direct Loans, and Active Section 236 Projects – should be added to the Total Properties table in the following way:

- Create an Append query in Access (Query – Append Query – Append to Total Properties), mapping the appropriate fields from the Section 8 table to the Total Properties table (Figure 9). Running the query adds the properties in the Section 8 table to the Total Properties table.

Figure 9: Appending Section 8 Records to the Total Properties Table

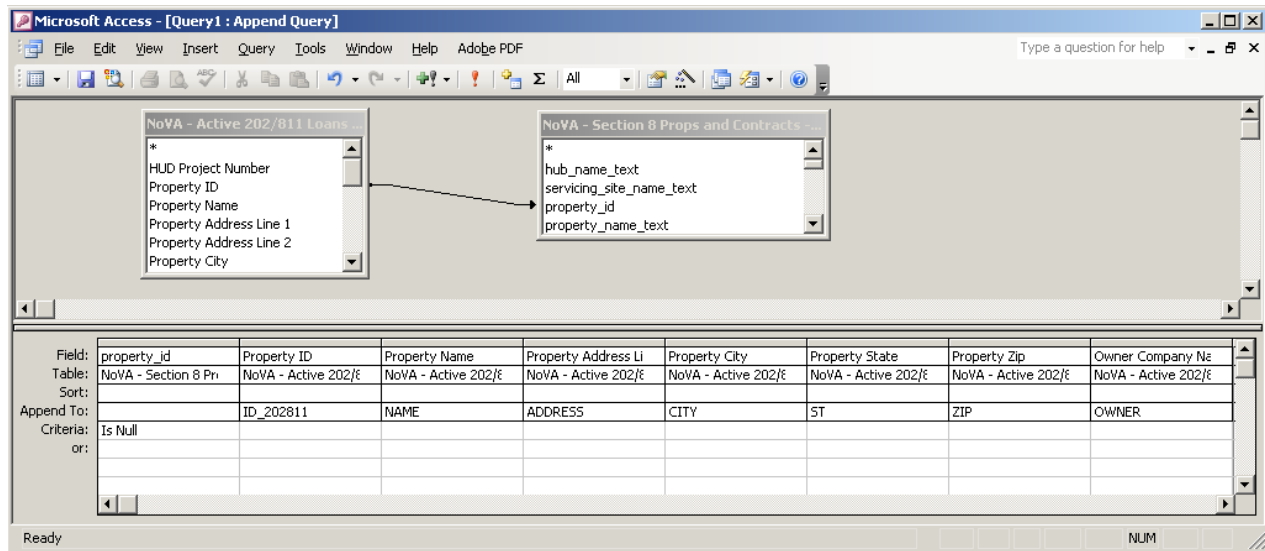


- b. With the Section 8 properties added, you will want to do one of two things with projects in the 202 Direct Loans table:
 - i. For projects that are not in the Section 8 table, append them to Total Properties.
 - ii. For projects that are in the Section 8 table, update the [ID_202] field with their ID.

These steps ensure that all Section 8 and 202 projects are included in the Total Properties table once and only once; for projects in both program files, copying the 202 ID to the appropriate record will allow you associate subsidy data from the two program files with the same project.

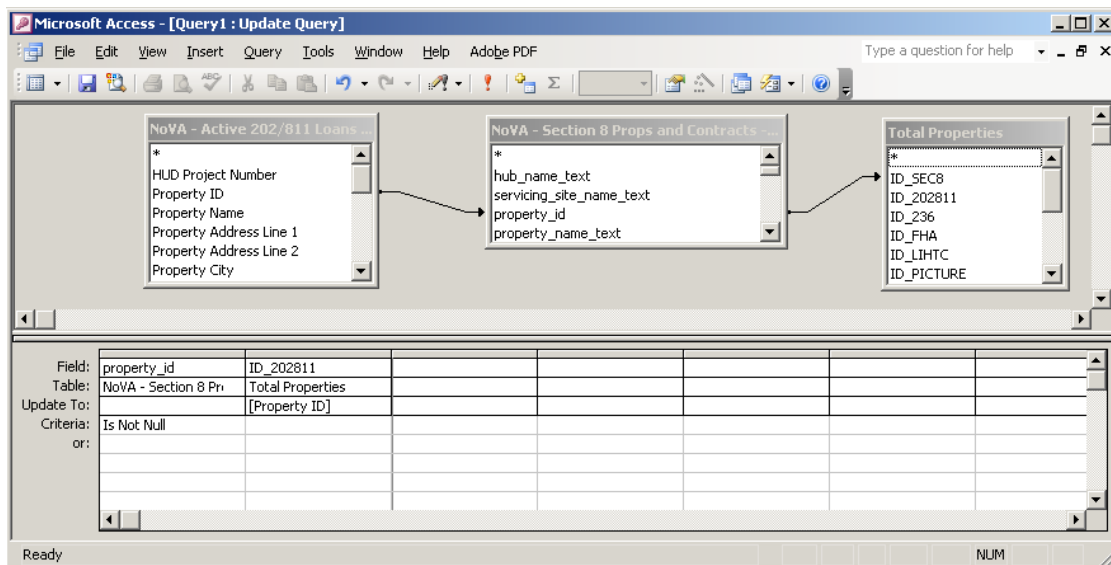
To append the unique properties from the 202 table, structure your Append query as shown in Figure 10. When you join the tables by their [Property ID] fields, double-click on the black line and set the Join Properties to “Include all records from ‘NoVA – 202 Direct Loans’ and only those records from ‘NoVA – Section 8 Props and Contracts’ where the join fields are equal.” This selection is indicated by the bold arrowhead on the right side of the line. By structuring your query this way and using the criterion “where [property_id] in the Section 8 table is null”, this will append data for 202 properties to the Total Properties table only if the property was not in the Section 8 table that was added initially. There will probably be very few of these, since most Section 202 properties have project-based rental assistance contracts and thus appear in the Section 8 table.

Figure 10: Appending Section 202 Records to the Total Properties Table



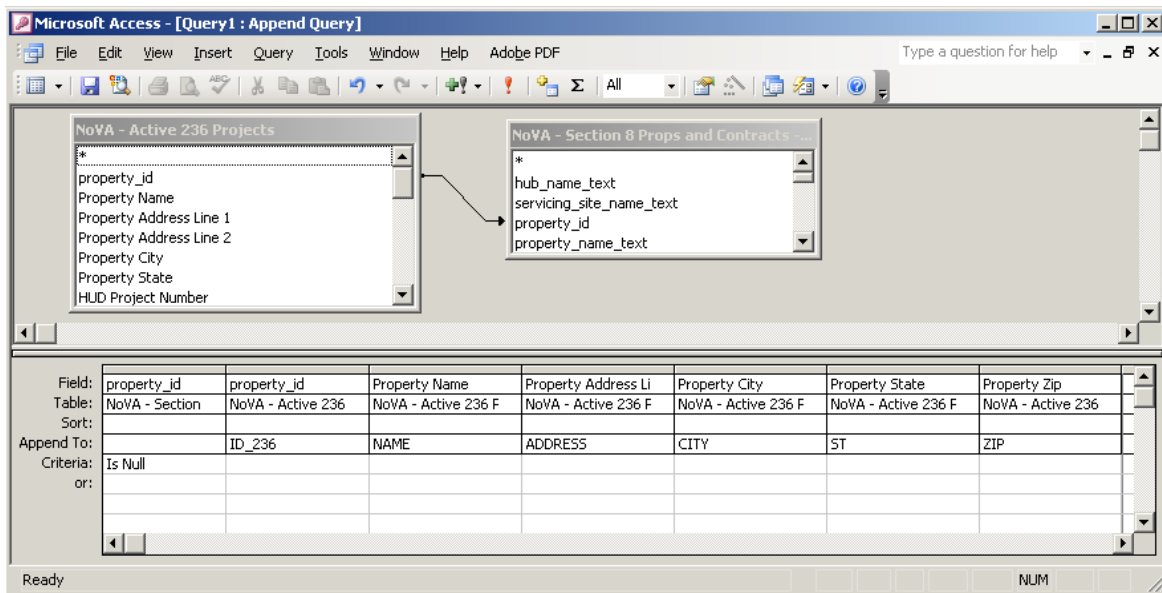
For the majority of the 202 projects, you will simply add their ID to the [ID_202] field in Total Properties using an Update query (Query – Update Query), as demonstrated in Figure 11.

Figure 11: Updating Existing Records with Section 202 IDs



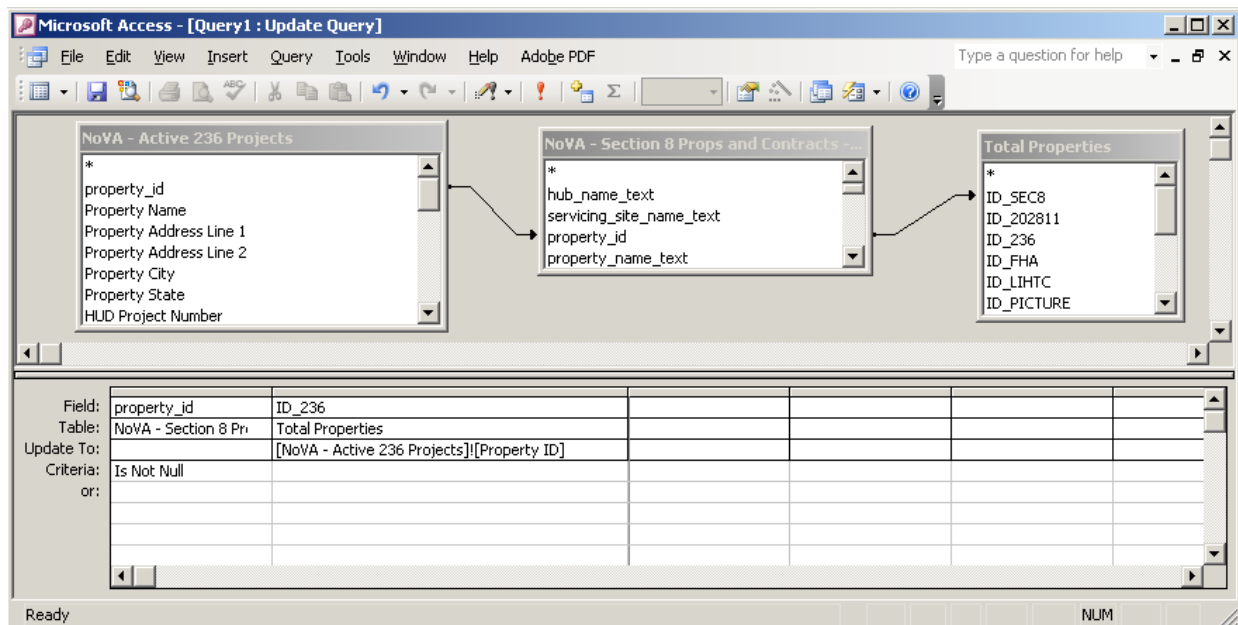
- c. The same basic process is repeated with the Active Section 236 Projects table.
 - i. First, append the few projects that are not already in the Total Properties table as a result of their Section 8 contract (Figure 12).

ii. Figure 12: Appending Section 236 Records to the Total Properties Table



iii. Then, for the majority of the projects which are already in the Total Properties table by way of their inclusion in the Section 8 dataset, update the [ID_236] field with their [property_id] (Figure 13).

Figure 13: Updating Existing Records with Section 236 IDs

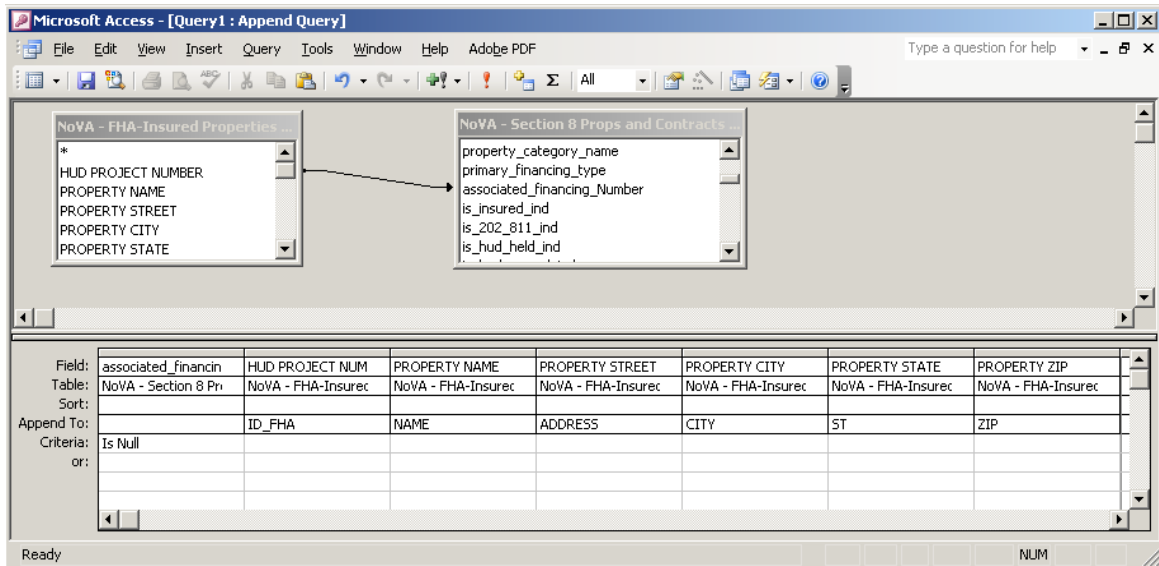


d. The FHA table presents a unique challenge. As with the 202 and 236 datasets, there is much overlap between this table and the Section 8 table because many FHA-insured/subsidized mortgages also have project-based subsidies associated with them. However, the FHA table does not include a REMS ID, so while the end result is the same – you will be adding unique properties to the Total Properties table and updating ID_FHA for the others – the association between the tables is less intuitive.

i. The [HUD PROJECT NUMBER] field in the FHA table corresponds with the [associated_financing_number] in the Section 8 table. Having established this linkage, this query appends records to Total

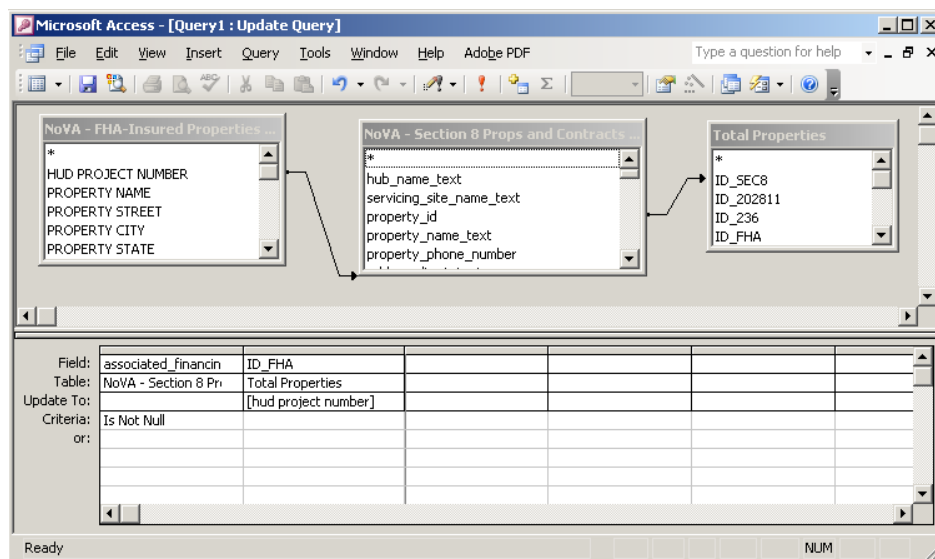
Properties for projects that are not included in the Section 8 table (Figure 14).

Figure 14: Appending FHA Records to the Total Properties Table



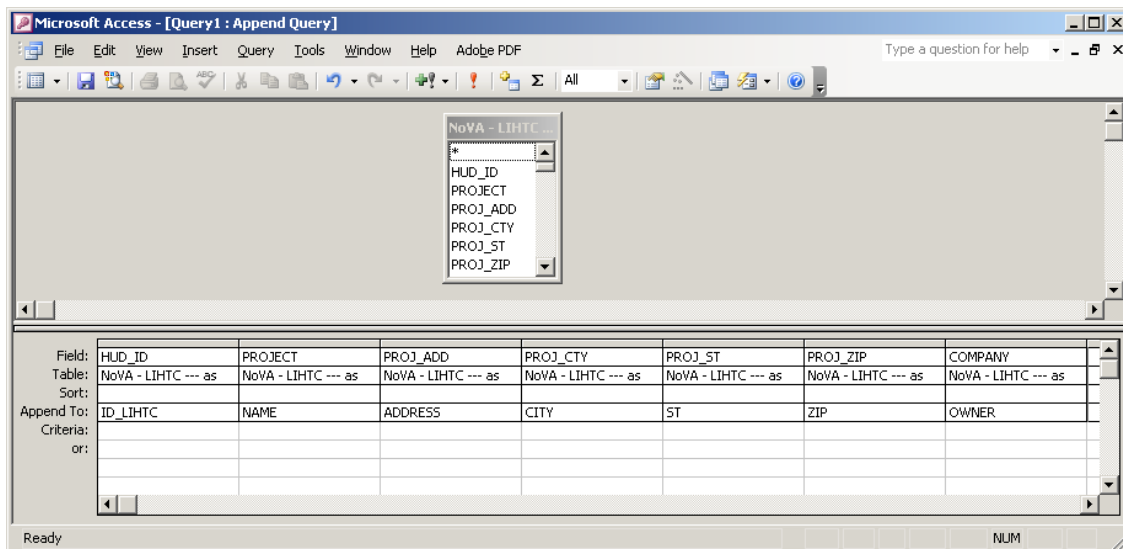
- ii. For the majority of projects that are already included in the Total Properties table, construct the following Update query (Figure 15). For the projects that also have Section 8 subsidy contracts, this query updates [ID_FHA] in the Total Properties table with the [HUD PROJECT NUMBER] from the FHA table.

Figure 15: Updating Existing Records with FHA IDs



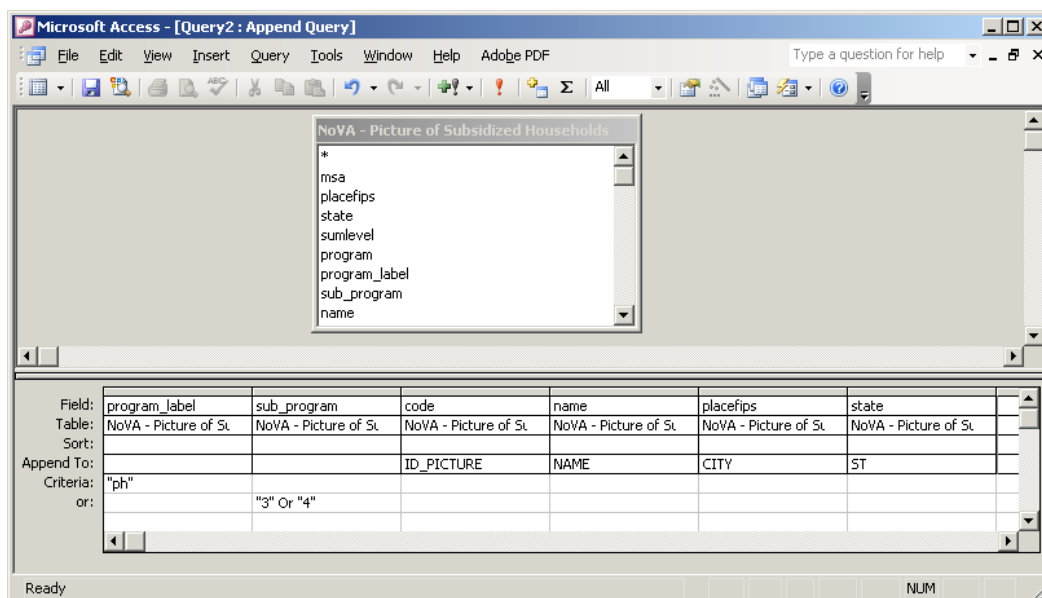
- e. The remaining tables – LIHTC and Picture – do not share a system of unique identifiers with the other HUD tables. Therefore, these tables just need to be appended to Total Properties with no regard for whether or not the property is already included. Removing duplicates is explained in Section 3 of this chapter. Figure 16 demonstrates the process of adding properties from the LIHTC table.

Figure 16: Appending LIHTC Records to the Total Properties Table



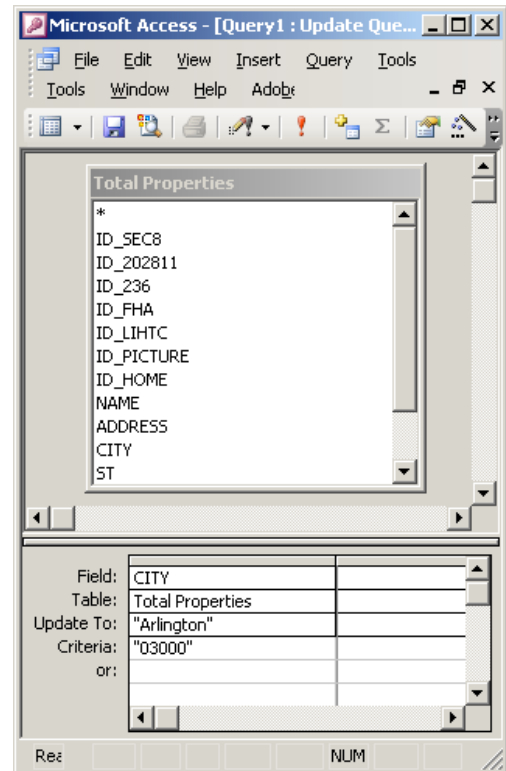
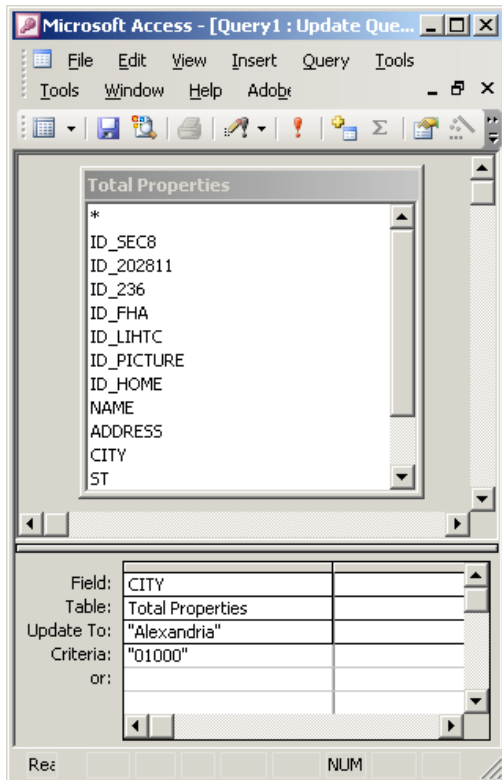
For Picture, it makes sense to add only public housing ([program_label] = "PH") and 202/811 capital advance ([sub_program] = 3 or 4) projects (Figure 17). The other subsidized properties in Picture should have been included in the other HUD program tables.

Figure 17: Appending Selected Records from Picture to the Total Properties Table



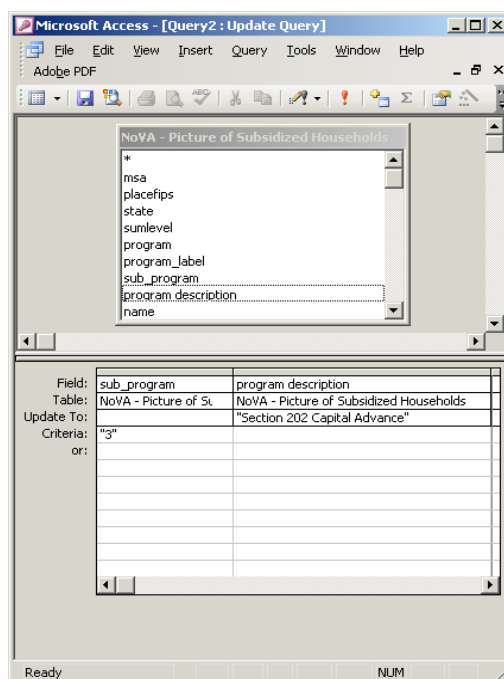
After appending the records from Picture, you will have to run an Update query on the Total Properties table in order to replace the numeric code in [placefips] with the appropriate city's name. Figures 18 and 19 illustrate the process.

Figures 18 and 19: Updating City Names for Picture Records Using FIPS Codes



You should also add a field called [program description] to the local Picture table you've created and run an Update query that fills in the field with text that describes the subsidy program making the property affordable (e.g., public housing, Section 202 Capital Advance, Section 811 Capital Advance) (Figure 20). The information needed to discern the program is contained in the [program] and [sub_program] fields. Using the data in these fields and the descriptions in the data dictionary, update [program description].

Figure 20: Updating Program Type for Picture Records



- f. If you have access to any state or local affordable housing programs, it is unlikely that the data will have unique identifiers that match any of the other tables that you have incorporated thus far. As a result, you must use the same approach that you used to incorporate the LIHTC and Picture tables: create an [ID_xx] field for each program in the Total Properties table and append the data for the state/local programs into the appropriate fields in the Total Properties table. If the state/local data file does not include a unique identifier field to map to the [ID_xx] field in Total Properties, create one before appending the records to Total Properties.

3. “Clean” the Total Properties Table

It is important that Total Properties be devoid of duplicate listings for the same project. Having a single record for each subsidized property is the best way to capture and report information on all of the subsidies that make it affordable. This holistic view of the data allows advocates to make a determination on whether or not a project is at-risk of leaving the affordable housing stock entirely or whether specific subsidies are threatened.

The processes described above allow the user to create an unduplicated list of properties from the individual program tables that have a consistent unique ID field: Section 8; Section 202; Section 236; and FHA Insured/Subsidized Mortgages. But because the remaining tables do not have a way to add only unique properties to the Total Properties table, you must append all the data, only after which is it possible to identify and remove duplicates manually.

The most straight-forward way to achieve this is to simply sort the Total Properties table by project name. By doing so, you can quickly identify most of the duplicate projects and collapse them into one record. For example, because there is no consistent unique identifier in the LIHTC table, the Total Properties table currently has the records shown in Table 1.

Table 1

ID_SEC8	ID_LIHTC	NAME	ADDRESS	CITY	ZIP	OWNER	MANAGER
800021689		ARLINGTON VIEW TERRACE	1429 S ROLFE ST	ARLINGTON	22204	Arlington View Terrace Associates	AHC Management LLC
	VAA2002010	ARLINGTON VIEW TERRACE	1429 S ROLFE ST	ARLINGTON	22204	AHC LP-3	

It is fairly obvious that these records represent the same project. In situations like these, merge the two records into one by preserving the unique ID for both programs and deleting one record entirely. In this case, deleting the LIHTC record (bottom) makes sense because the Section 8 record is more complete (e.g., it has manager information and a more descriptive owner name). The resulting record is shown in Table 2. If you'd like, you can keep the owner from the LIHTC record (AHC LP-3) by cutting and pasting it into the Section 8 record, so that it reads "AHC LP-3 or Arlington View Terrace Associates."

Table 2

ID_SEC8	ID_LIHTC	NAME	ADDRESS	CITY	ZIP	OWNER	MANAGER
800021689	VAA2002010	ARLINGTON VIEW TERRACE	1429 S ROLFE ST	ARLINGTON	22204	Arlington View Terrace Associates	AHC Management LLC

One specific situation in which duplicate records from the same property can appear in the Total Properties table is when a property has more than one rental subsidy contract in the Section 8 table. In this situation, check the Section 8 table to see which contract expires first. Delete the other record(s), but first sum the total number of assisted units and make a note in the record's [Notes] field that the subsidized units are covered by more than one contract and indicate how many expire on the different contract expiration dates. In the Total Properties table, delete all but one record for this property and make sure that the [ID_SEC8] corresponds to the remaining record in the Section 8 table.

Another set of records presents a particularly difficult challenge, however. We can tell the following about the Culpepper Garden projects shown in Table 3:

- Culpepper Garden I has a Section 8 contract and a subsidized FHA mortgage that appears in both the FHA and 236 tables. Each of the three tables lists a different number of total units at the property (units not shown on Table 3).
- Culpepper Garden II has a 202/811 loan and a multifamily assistance contract in the Section 8 table. Both tables list the project at 63 units (units not shown).
- Culpepper Garden III is listed in Picture as a 202/811 capital advance project with zero units (units not shown).
- Culpepper Gardens is provided in a file with information on HOME projects that NLIHC obtained from HUD. The project is listed as having 73 units.

Table 3

ID_SEC8	ID_202811	ID_236	ID_FHA	ID_PICTURE	ID_HOME	NAME	ADDRESS	CITY	ZIP
800021774		800021774	44191			CULPEPPER GARDEN I	4435 N PERSHING DR	ARLINGTON	22203
800054029	800054029					CULPEPPER GARDEN II	4435 North Pershing Dr	ARLINGTON	22203
				VA39S971001		CULPEPPER GARDEN III		ARLINGTON	
					9333265	CULPEPPER GARDENS	4435 N. PERSHING DR	ARLINGTON	22203

It is almost certain that the HOME record is a duplicate of one of the first three given the similarity in their names and the identical addresses. Based on the source tables, the project appears to be close in size to Culpepper Garden II, so it seems appropriate to merge the fourth record with the second one (Table 4).

Table 4

ID_SEC8	ID_202811	ID_236	ID_FHA	ID_PICTURE	ID_HOME	NAME	ADDRESS	CITY	ZIP
800021774		800021774	44191			CULPEPPER GARDEN I	4435 N PERSHING DR	ARLINGTON	22203
800054029	800054029				9333265	CULPEPPER GARDEN II	4435 North Pershing Dr	ARLINGTON	22203
				VA39S971001		CULPEPPER GARDEN III		ARLINGTON	

Given the level of uncertainty that remains, however, it is worth checking with the owner, the local HOME administrator, or an advocate familiar with the property to confirm. This example was included to demonstrate how difficult it can be to confidently merge disparate datasets that lack unique identifiers. It is at this stage that local information and outreach to housing advocates who can help you sort out these situations become critical.

After sorting Total Properties by project name, it is also wise to sort by address. Table 5 illustrates why:

Table 5

ID_LIHTC	ID_HOME	NAME	ADDRESS	CITY	ST	ZIP	OWNER
VAA1997020		CARLIN (THE)	4300 N CARLIN SPRINGS RD	ARLINGTON	VA	22203	THE CARLIN LIMITED PARTNERSHIP
	93337	THE CARLIN	4300 N CARLIN SPRINGS ROAD	ARLINGTON	VA	22203	

These records obviously represent the same project, but they were not identified as duplicates after sorting by name because of the naming convention used in the LIHTC table. In this scenario, it makes sense to copy the [ID_HOME] into the LIHTC record because it has information on the owner, and then reformat the LIHTC name to “The Carlin” (Table 6).

Table 6

ID_LIHTC	ID_HOME	NAME	ADDRESS	CITY	ST	ZIP	OWNER
VAA1997020	93337	THE CARLIN	4300 N CARLIN SPRINGS RD	ARLINGTON	VA	22203	THE CARLIN LIMITED PARTNERSHIP

For large databases, two additional steps can be helpful in identifying and removing duplicates:

- Add a field to the Total Properties table that indicates how many units are in each project. (You will have to decide which source to use when a project is listed in more than one source table.) Then run a Find Duplicates query to identify records with the same number of units and in the same zip code.
- Using a Geographic Information System (GIS) software, geocode the projects based on their addresses (i.e., find their latitudes and longitudes) and place them on a map. Projects that geocode near one another and have similar characteristics may be duplicates and should be investigated further.

Lastly, take a step back and look at the Total Properties table. Is it as user-friendly as possible? Does anything need to be cleaned up? For example, in the Total Properties table built in writing this guide:

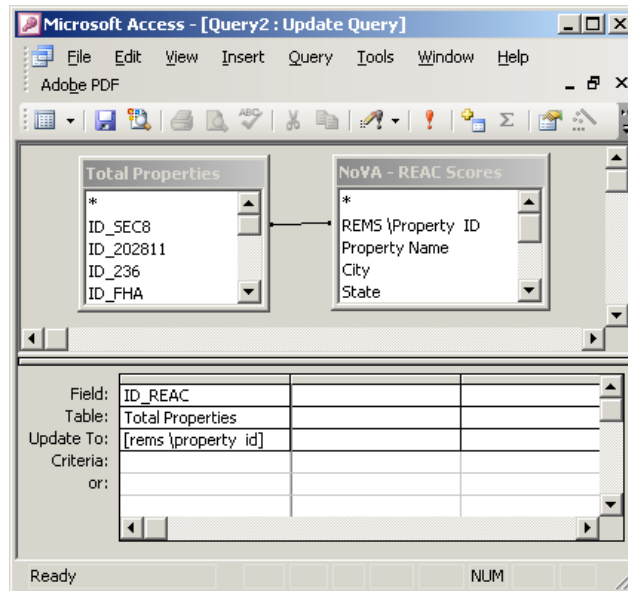
- Three public housing records from the Picture table were named “Scattered Sites” and none had addresses. Because this limited information is not very useful, it makes sense to delete these records and follow-up with the Alexandria Public Housing Authority (PHA) for more information.
- Three records from the HOME file were named “Virginia” and one other had a name that reflected the preservation activity (e.g., Accessibility Modifications). For these, it is appropriate to overwrite these names with the address of the activity and hope to get some clarity on the name of the project either through advocates in the community or through an internet search.

4. REAC Scores

This table is treated differently than the other program files because it is meant to complement the preservation catalog by adding very important data to projects that we have already identified as subsidized. It is not used to add projects to the Total Properties table because some of the developments inspected by HUD are not income restricted (e.g., nursing homes with FHA insured/subsidized mortgages).

To incorporate REAC scores for projects that are in the Total Properties table, add an [ID_REAC] field to Total Properties. Since the REAC file uses the REMS ID also found in the Section 8 table, join the ID in the REAC table with the [ID_SEC8] field in the Total Properties table and update the [ID_REAC] field with the REAC property ID, as shown in Figure 21.

Figure 21: Updating the Total Properties Table with REAC IDs



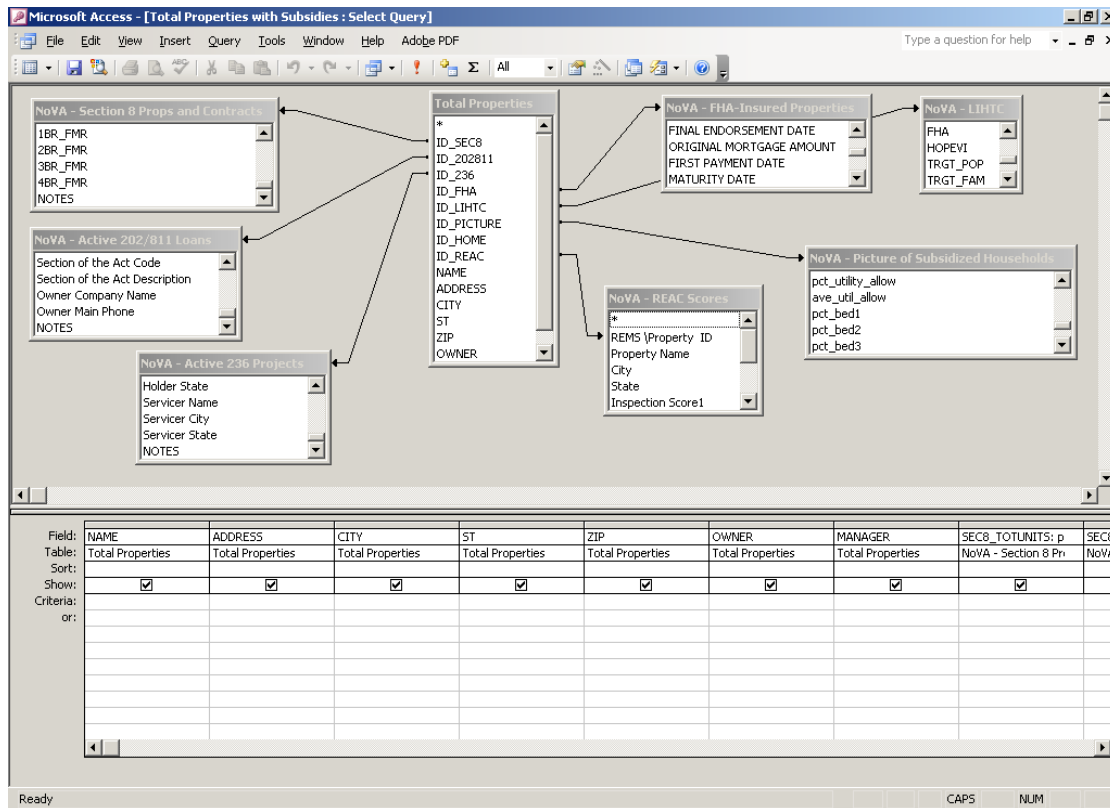
This process is not failsafe, however, because it only populates the [ID_REAC] field for those that also have Section 8 contracts. Other HUD projects are also inspected and receive REAC scores, so it is important to visually compare the list of projects in the Total Properties table with those that did not match projects in the REAC table to see if there is any overlap. If you identify any such cases, be sure to copy the [REMS \Property ID] from the REAC table into the [ID_REAC] field in Total Properties so this information can be reported for all projects for which it is available.

5. Join the Total Properties Table with Program-Specific Subsidy Data

This section explains how to use a query to combine the Total Properties table and the program tables that you created into a useful, preservation-oriented data file.

- Create a Select query and add the Total Properties table and all of the program tables that you've created. This query is called Total Properties with Subsidies (TPWS) (Figure 22).
- Join the Total Properties table to the program tables by their respective IDs, and be sure to set the Join Properties so that all records from the Total Properties table appear in the TPWS query (indicated by the arrowhead, as described above).

Figure 22: Creating a Select Query to Join Total Properties with the Subsidy Tables



- c. Add the following fields from these tables to the TPWS query. Because many of the tables have fields with similar names, change the field names in the query to the text provided in parentheses.
 - i. Total Properties
 1. Name
 2. Address
 3. City
 4. State
 5. Zip
 6. Owner
 7. Manager
 8. Notes
 - ii. Section 8 Props and Contracts
 1. property_total_unit_count (SEC8_TOTUNITS)
 2. owner_company_type (SEC8_OWNTYPE)
 3. tracs_effective_date (SEC8_STARTDATE)
 4. tracs_overall_expiration_date (SEC8_ENDDATE)
 5. tracs_status_name (SEC8_STATUS)
 6. assisted_units_count (SEC8_ASSUNITS)

7. program_type_group_name (SEC8_PROGRAM)
 8. rent_to_FMR_ratio (SEC8_RENT2FMR)
 9. notes (SEC8_NOTES)
- iii. Active 202/811 Loans
1. Total Property Units (202811_TOTUNITS)
 2. First Payment Date (202811_STARTDATE)
 3. Maturity Date (202811_ENDDATE)
 4. Section of the Act Description (202811_PROGRAM)
 5. notes (202811_NOTES)
- iv. Active 236 Projects
1. Total Property Units (236_TOTUNITS)
 2. First Payment Date (236_STARTDATE)
 3. Maturity Date (236_ENDDATE)
 4. Section of the Act Description (236_PROGRAM)
 5. notes (236_NOTES)
- v. FHA-Insured Properties
1. UNITS (FHA_TOTUNITS)
 2. FIRST PAYMENT DATE (FHA_STARTDATE)
 3. MATURITY DATE (FHA_ENDDATE)
 4. SECTION (FHA_PROGRAM)
 5. notes (FHA_NOTES)
- vi. LIHTC
1. N_UNITS (LIHTC_TOTUNITS)
 2. LI_UNITS (LIHTC_ASSUNITS)
 3. YR_PIS (LIHTC_STARTDATE)
 4. NON_PROF (LIHTC_NONPROF)
 5. notes (LIHTC_NOTES)
- vii. Picture of Subsidized Households
1. program description (PICTURE_PROGRAM)
 2. total_units (PICTURE_TOTUNITS)
- viii. REAC Scores
1. Inspection Score1 (REAC_SCORE1)
 2. Release Date1 (REAC_DATE1)
 3. Inspection Score2 (REAC_SCORE2)
 4. Release Date2 (REAC_DATE2)
 5. Inspection Score3 (REAC_SCORE3)
 6. Release Date3 (REAC_DATE3)

There are three last subsidy-related data cleaning tasks that must be performed. These tasks are easier to do now that all of the subsidy data are in one query.

- Because the subsidized Section 236 mortgages are operated through FHA, many projects appear in both the 236 and FHA tables. Identify projects that have data in both the FHA and 236 fields and compare the data in the TPWS query. If the expiration dates and other information are the same, you should delete the identifier in the [ID_236] field in Total Properties so that the same subsidy isn't listed twice in the TPWS query and final report.
- Records in the Section 8 table that contain a reference to PRAC (Project Rental Assistance Contract) in any of the following fields correspond to properties built using the Section 202/811 Capital Advance program: [contract_doc_type_code], [program_type_name], [program_type_group_code], [program_type_group_name]. These do not appear in the 202/811 table but do have 40-year use restrictions. For these projects, you should put a note in the Section 8 table's [Notes] field that states: "Because the project has a PRAC contract, there is likely a 40-year use restriction associated with the 202/811 Capital Advance program used to develop the building."
- The LIHTC dataset does not have a field that lists the end of the 15-year compliance period, so you must add a calculated field to the query. Call it [LIHTC_ENDDATE] and calculate it as [YR_PIS]+15. Many LIHTC projects remain affordable for 30 years or more, but most have the option of discontinuing their affordability period after 15 years, so this represents the earliest date at which the project should be considered at-risk.

6. Create a Report Highlighting At-Risk Properties

As stated in the Introduction to this chapter, subsidized properties can be at-risk of leaving the affordable housing stock for a number of reasons. There are certain "red flags" that can indicate the likelihood of a project to leave the affordable housing stock. These indicators can include: a subsidy that expires within a set timeframe (e.g., in the next 12-18 months); failing REAC scores; for-profit ownership; and low rents relative to market rents, which indicates that an owner may profit by discontinuing participation in the HUD program. Some of these data elements are captured in the HUD files that you have included in your preservation catalog. Others – particularly those that reflect an owner's intent to renew or end participation in an affordable housing program – can only be known through engagement with advocates active in affordable housing issues in your community.

You should create a field in the Total Properties table called [Status] that captures the sum total of what is known regarding each project's perceived risk. At a minimum, you should assess these various quantitative and qualitative indicators and determine whether you consider each project to be "at-risk" or "not at-risk." The field can also be more nuanced and include many other categories if you want it to capture the reasons for the perceived risk (e.g., "failing REAC score" or "expiring subsidy").

You'll want to add this [Status] field to your TPWS query that pulls together much of the information that your assessment of risk status will be predicated on. Unfortunately, data in a multi-table query cannot be updated in the query itself, so this field will have to be updated directly in the Total Properties table. Open the query, determine which projects have failing REAC scores, expiring contracts, etc., and update the status of those projects in the Total Properties table.

This [Status] field will help you prioritize which projects warrant the most attention from advocates involved in preserving affordable housing in your community. A project's status is very fluid and may change periodically as more data become available (e.g., HUD publishes a new dataset) or as advocates contribute their local knowledge (e.g., a Section 8 opt-out notice is filed with tenants, HUD, and/or the city). But at any point in time, it captures the relative risk of all projects in the community and provides you with a way to prioritize threatened projects in a preservation catalog report.

A report can be as simple as exporting the data to Excel and sorting by [Status], thus allowing the at-risk projects to rise to the top. Or you could color-code projects based on their risk level and highlight particularly worrisome REAC scores or contract expiration dates. More complex reports like the one illustrated in Figure 23 can be developed in Access.

Figure 23: Project-Level Report from a Preservation Catalog

Federally Subsidized Properties in Alexandria and Arlington

STATUS: Watch List

NAME	ARLINGTON VIEW TERRACE	ADDRESS	1429 S ROLFE ST	CITY	ARLINGTON
OWNER	Arlington View Terrace Associates	MANAGER	AHC Management LLC	REAC Scores	75c* 66c* 91b*
NOTES:	Subsidy expires before 6/1/10.			11/07/2007	11/29/2006 12/04/2003

Project-Based Rental Subsidies (Sec 8)		Low Income Housing Tax Credit Projects		Section 202/811 Projects	
Program	Other S8 Rehab	Program	LIHTC	Program	
Assisted/Total Units	77 / 77	Assisted/Total Units	77 / 77	Units	
Start	10/14/2008	Start	2002	Start	
End	10/13/2009	End	2017	End	
Notes		Notes		Notes	
Contract Status	Active	Nonprofit Sponsor	Unknown		
Owner Type	Profit Motivated			Public Housing and 202/811 Capital Adv.	
Rent to FMR Ratio	77			Program	
				Units	

FHA Insured/Subsidized Loans				HOME Projects	
From Insured Multifamily Mortgages Table		From Section 236 Table		Program	
Program				Assisted/Total Units /	
Units				Start	
Start				End	
End				Notes	
Notes					

Because these more complex reports on the entire assisted housing stock can be lengthy, it is often helpful to create a summary report that lists the at-risk projects along with some pertinent information. The abbreviated report demonstrated in Figure 24 helps advocates quickly understand which projects are at-risk and can prompt them to refer to the in-depth report for more information.

Figure 24: Summary Report from a Preservation Catalog

Quick Reference Guide for Watch List Properties in Alexandria and Arlington					
Name	Address	City	Owner	Manager	Notes
610 NOTABENE DRIVE	610 NOTABENE DRIVE	ALEXANDRIA			Subsidy expires before 6/1/10.
7417 FORDSON ROAD	7417 FORDSON ROAD	ALEXANDRIA			Subsidy expires before 6/1/10.
ARLINGTON VIEW TERRACE	1429 S ROLFE ST	ARLINGTON	Arlington View Terrace Associates	AHC Management LLC	Subsidy expires before 6/1/10.
BUCKMAN ROAD APTS	3426 BUCKMAN RD	ALEXANDRIA	BUCKMAN ROAD PRESERVATION CORPORATION	EDGEWOOD MANAGEMENT CORPORATION	Subsidy expires before 6/1/10.
CAMERON VALLEY (AKA QUAKER HIL	1100 QUAKER HILL DRIVE	ALEXANDRIA	ALEXANDRIA RHA		Subsidy expires before 6/1/10.
CLARENDON COURT	3825 SEVENTH STREET, NORTH	ARLINGTON	TISHMAN SPEYER CLARENDON L.P.		Subsidy expires before 6/1/10.
CLARIDGE HOUSE	1500 FERN STREET	ARLINGTON	CLARIDGE HOUSE ASSOCIATES	Catritz Company	Most recent REAC score is below 60.
COLONIAL VILLAGE WEST	2111 Key Blvd	ARLINGTON	Colonial Village Housing Associates	AHC Management LLC	Subsidy expires before 6/1/10. Most recent REAC score is below 60.

7. Periodically Update the Database with Publicly Available Data

New data files released by HUD serve as an important source of information for updating your preservation catalog. HUD periodically updates the program-specific datasets that it makes available to the public. The frequency of updates, however, depends on the program.

- Section 8 table – update monthly
- FHA table – updated quarterly
- Direct 202 Loans – update frequency unknown; last updated October 2009
- Active Section 236 Projects – not updated since June 2006
- LIHTC database – updated annually; last updated February 2010; the current version reflects units placed in service between 1987 and 2007
- Picture – last updated in February 2010, the current version reflects data from 2008
- Physical Inspection Scores – update frequency unknown; last updated January 2010

As new information becomes available, it is important to integrate it into your preservation catalog. Equally important, however, is recording how the new data differ from the old and keeping an archive of program files that you can use to trace projects and entire programs through time. Therefore, do not delete the old tables or simply overwrite them with the new ones. When you import a new table, add an “as of” date to the end of the new file. (For example, import and name the new “Section 8 Properties” table “Section 8 Properties – as of 6-17-09.”) It is important that you not rename the tables used in the TPWS query because doing so will corrupt the query.

Once you’ve imported a new data table, the next step is to create a Select query that identifies projects for which the data in the new table differ from the data in the old. (In the example below, the two tables are joined by the [contract_id] field because one property can have multiple contracts. For most programs, you can simply join the tables using their property IDs.) The query selects all properties where [tracs_overall_expiration_date] in the new table is different than the same field in the old table. The following figures show the design of the query (Figure 25) and the records that are returned from the new table (Figure 26).

Figure 25: Selecting Records with Updated Data in a New Section 8 Table

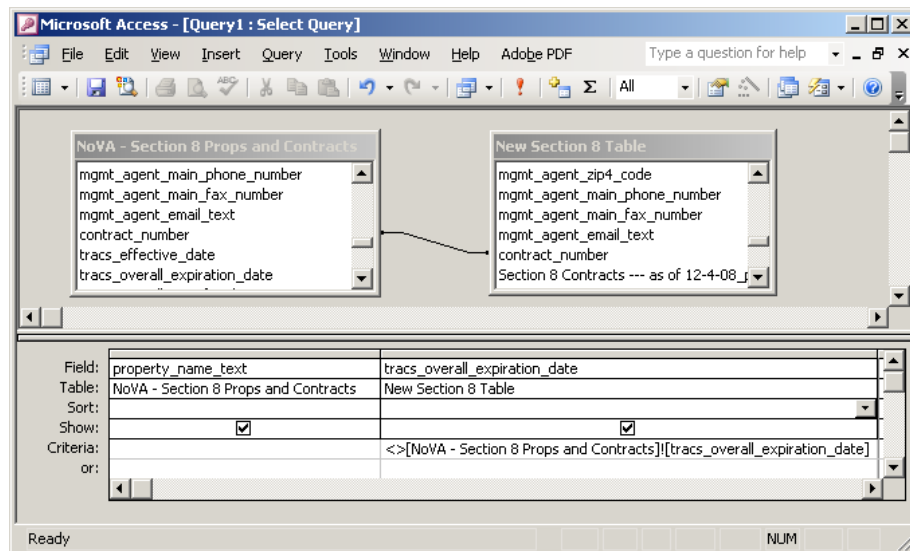
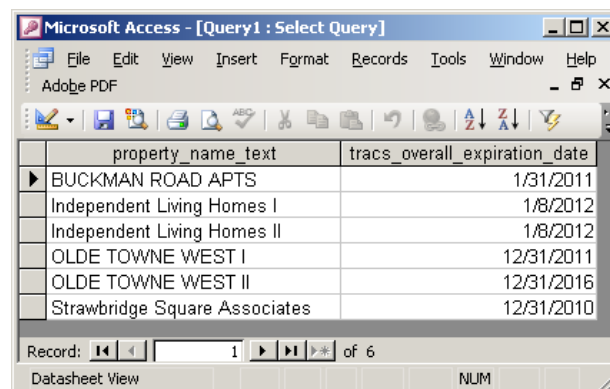


Figure 26: Viewing the Selected Records



In this example, six project-based Section 8 properties have updated contract expiration dates. In most cases, it makes sense to change the information in the Section 8 table used in your TPWS query to reflect the newest available data. You may also want to add information to each affected record's Section 8 table's [Notes] field indicating when the contract was updated, what the source of the data was, etc.

Using a Select query, you'll want to repeat this process for all new program files, running a similar Select query for each of the fields that appears in your TPWS query. Contract expiration dates are important, but it is also important that the data in your program files reflect the most current information on the owner and manager of the property, the number of units, and the type of subsidy covering each project.

This process is as important as it is labor intensive. However, the Section 8 database is the only HUD file that is updated more frequently than quarterly, so keeping your preservation catalog current should not consume a significant amount of time.

Two closing data notes:

- It is wise to compare not just the information in a new program file with a previous version but also to compare the number of records. Be sure that the new file does not include any new projects or exclude any old ones when compared with the previous version. If it excludes one, make a note of it in the program file used in your TPWS query (e.g., “Project missing from latest HUD dataset”). If it includes a new one, investigate whether or not it makes sense to add a record both to the Total Properties table and to the program file used in the query. (Currently, the LIHTC table is the only table discussed in this report that is likely to include new projects in each update.)
- The [HUD_ID] in the LIHTC table is not necessarily consistent from one iteration of the table to the next. Therefore, the above approach – associating the new table with the old based on a unique ID and checking for data updates – does not work for the LIHTC file. As such, checking for changes in historic LIHTC projects requires more manual scrutiny and is more difficult to automate with a Select query.

8. Incorporate Comments from the Community of Housing Advocates

Housing advocates, tenant organizers, and government officials also provide an invaluable source of information that should be incorporated into any preservation catalog.

One important feature of a preservation catalog is its ability to consolidate information on assisted housing and communicate it clearly to housing advocates interested in preserving at-risk subsidized housing. Whether meetings occur face-to-face on a regular basis or communication is primarily electronic (e.g., a listserv), it is important to share the preservation catalog with others and promote its usage.

One way to increase awareness is to notify all interested parties each time you update the catalog. Take this opportunity to disseminate a list of the property-level changes reflected in HUD’s program files. It can also be helpful to circulate the summary report highlighting at-risk projects. Regular property-level correspondence ensures that advocates are aware of changes made to the preservation catalog. At the very least, you have made sure that changes in the affordable housing stock are widely known.

This type of correspondence also often prompts those who have more information on particular projects to share it with you or the network as a whole. Assuming they are not of a confidential nature, it is important to record these comments in either the Total Properties or the program file [Notes] field – whichever is more appropriate – so that this grassroots information can be available to anyone using the preservation catalog. This local knowledge often plays a key role in determining which projects are considered at-risk and which are not.

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