

Housing Focus

Addressing the needs of Housing Authorities & Community Development Organizations in Illinois



March 2016

Message from the President: Jackie L. Newman



As ILNAHRO turns its attention towards strengthening the Board, we say “Welcome” to our new Board members who will be “In the Spotlight” of next month’s issue. Welcome, Felicia Davis of Winnebago Housing Authority;

Paul Bollinger of Peoria Housing Authority and David Young of Housing Action Illinois. We look forward to the value-add to the ILNAHRO Board as you represent the voices of PHAs and Community Development Organizations. Welcome all and thank you so much for agreeing to serve!!

The ILNAHRO Conference Committee continues in its planning efforts of the annual conference scheduled for August 17-19, 2016 in Rockford, Illinois – **we want to hear from you!!** You recently received an e-mail from ILNAHRO with a few basic questions. This survey is designed to help us ensure that we are providing the training you need and want as you equip staff navigate through daily operations, budgetary constraints and ever-changing HUD rules and regulations. So, please take time to complete the survey -- we thank you in advance for your active participation.

I had the opportunity to attend the Governor’s Conference on Affordable Housing in Chicago, Illinois the week of March 29th in Chicago, Illinois and I would like to commend the Illinois Housing Development Authority and Illinois Housing Council for a job well done!! The sessions were timely and relevant. I attended a session “The Real Deal with RAD” which provided useful insight on the good, bad and all the other things in-between about RAD. As a PHA that has been contemplating RAD and whether or not to move forward, this session assisted our agency in making

a decision about RAD. Additionally, the session on “Evolving Partnerships between Senior Housing and Hospitals” provided helpful information on ways in which Hospitals can partner with affordable housing providers. As our organization has been in early dialogue with representatives of the Medical District, the information provided was insightful and the connections made I’m sure will be important as we look towards the future. The intimate setting provided ample networking opportunities for attendees. Again, great job IHDA and IHC!!

Our goal as your State Board is to always ensure that we advocate for the issues that are important to you. We want to ensure that information shared is beneficial and that we are creating opportunities for engagement by all Housing Authorities and Community Development Organizations. Each month, Housing Focus, goal is to provide information from National and ensure legislative issues warranting advocacy and feedback are forwarded to you promptly; so please ensure your e-mail addresses are up-to-date with ILNAHRO.

Finally, we hope to see you at NCRC’s Annual Conference in Columbus, Ohio April 27-29th themed “Building Bridges”. There are lots of sessions planned just for you and we hope that if you have not registered, that you will get registered soon!! Come to learn, share and network.

Respectfully Submitted,

Jackie L. Newman
ILNAHRO President



In **THE SPOTLIGHT**

Meet Sonny and Sunny



This brother and sister duo will drive the Rockford Housing Authority SEED training curriculum for an “Energy Experience” at the Blackhawk Parks solar energy, solar panels installation in Rockford.

The Energy Experience will provide a learning opportunity that fits kids through adults. From physical site signage for self-guided study to class room instruction and field trips participants will learn everything from energy conservation to the sky’s the limit in **S**TEAM (Science, Technology, Engineering, Art and Math) **E**nergy, and **E**conomic **D**evelopment - **SEED**.

The recently completed Blackhawk Courts solar installation will be a hands on learning opportunity explaining solar energy, how it works and the benefits of utilizing solar. A curriculum for local teachers has been created to tie in with current classes to provide field trip opportunities for children in the area to learn about solar energy and experience a solar field first hand.

Engineers without Borders Day is being planned for this summer with students from Northern Illinois University presenting to children all the possibilities of solar energy and its importance, tying in the need for children to become engineers and scientists.

www.rockfordha.org



HUD News

Direct News - Washington Update

HUD Seeks Feedback on the Affirmatively Furthering Fair Housing Assessment Tool for Local Governments

Mar 28, 2016

On March 23, HUD issued a 60-day solicitation of notice of information collection related to the Local Government Affirmatively Furthering Fair Housing (AFFH) Assessment Tool (Local Government Assessment Tool), the standardized tool that communities receiving HUD community development formula funds must use to conduct and submit their Assessment of Fair Housing (AFH), as required by the AFFH final rule.

This current notice is requesting public feedback on the Local Government Assessment Tool and on the data and functionality of the AFFH Data and Mapping Tool (AFFH-T), an interactive online instrument that local governments must use in conjunction with the assessment tool to complete their AFHs. HUD's questions include:

Should Racially or Ethnically Concentrated Areas of Poverty (R/ECAPs) be amended to exclude college students from the calculation of poverty rate?

Should HUD provide additional data on homeownership and rental housing, including maps and tables?

Are there changes or improvements that can be made to the Opportunity Index measures?

Should HUD change the variables included in the Labor Market Engagement Index?

Are there changes to the transportation indices that can be made to better inform a fair housing analysis of transportation access and whether transportation provides access to areas of opportunity?

Should HUD adjust the Environmental Health Index with new variables and/or a revised formula?

Should HUD add Home Mortgage Disclosure Act (HMDA) data to inform a fair housing analysis of lending practices and trends? Which types of HMDA data would be most useful?

Should HUD distinguish between 9 percent and

4 percent tax credits in the Low-Income Housing Tax Credit (LIHTC) data being provided, including in maps?

Should HUD make any other changes to the Local Government Assessment Tool to facilitate joint or regional collaboration or facilitate a meaningful fair housing analysis?

HUD has committed to issuing three separate AFH assessment tools for program participants covered by the AFFH final rule, currently in various stages of development:

1. (Finalized) Local Government Assessment Tool: For use by local governments or by joint and regional collaborations with local government(s) and/or PHA(s) where the local government is the lead entity.

2. (Proposed) State and Insular Areas Assessment Tool: For use by a State and Insular Area, or by joint or regional collaborations with local government(s) and/or PHA(s) where the State is the lead entity.

3. (Proposed) Public Housing Authority Assessment Tool: For use by a PHA or collaborating PHAs.

Due to the staggered submission cycle of AFHs, there are only 22 local governments that are required to submit an AFH in 2016. NAHRO expects over 100 local governments will be required to submit an AFH in 2017. NAHRO encourages all of its members to comment on these tools to ensure that HUD implements the AFFH rule in an efficient and reasonable manner. Members are asked to share their comments and concerns regarding this notice with Jenny Hsu at jhsu@nahro.org.

HUD News

Direct News - Washington Update

Small Housing Authority Reform Act Introduced in House

Mar 21, 2016

On March 21, U.S. Congressmen Steven Palazzo (R-Miss.), Sanford Bishop (D-Georgia), and Brad Ashford (D-Nebraska) introduced The Small Public Housing Agency Opportunity Act of 2016 (H.R. 4816), bipartisan legislation addressing the administrative burdens facing small and rural housing authorities across the country.

In his remarks on the House floor today, Rep. Palazzo said, "There is a huge difference between housing needs in small town Mississippi, Georgia, or Nebraska, and places such as New York. This bipartisan legislation removes that one-size fits all approach and gives small housing authorities the flexibility to operate more effectively and efficiently to better serve the needs of their residents."

Among other reforms contained in the bill, H.R. 4816 would simplify inspection and compliance requirements as well as eliminate excessive paperwork for public housing authorities (PHAs) supporting fewer than 550 households. Specifically,

the bill limits the U.S. Department of Housing and Urban Development (HUD) inspections of housing and voucher units to once every three years, unless the PHA is classified "troubled" by HUD. It also eliminates certain paperwork, including the submission of reports not required of owners and operators of Section 8 private properties, as well as unnecessary environmental reviews for agencies not undergoing new construction. While it contains some new recommendations, H.R. 4816 is the House companion bill to S.2292, introduced by U.S. Senators Deb Fischer (R-Nebraska) and Jon Tester (D-Montana). The bill also aligns with many of the recommendations contained in the NAHRO-PHADA SHARP proposal.

As of this writing, the bill has not yet been posted to THOMAS – check there later this week for more information and the official copy. A draft copy of the bill is available on NAHRO's website. NAHRO will provide additional coverage soon.

Direct News - Washington Update

HUD Requests Policy Proposals and Research Methods for MtW Demonstration Expansion

Mar 31, 2016

On April 4, HUD will publish a request for specific policy proposals and methods of research and evaluation for the Moving to Work (MtW) Demonstration expansion. The 2016 Consolidated Appropriations Act (the Act) authorized HUD to expand the MtW demonstration program by adding an additional 100 high-performing public housing agencies (PHAs) over a period of seven years. The Act requires agencies be added to the MtW Demonstration by cohort and that HUD direct

one specific policy change to be implemented per cohort to facilitate the evaluation of that policy. HUD is seeking comments on specific policy proposal recommendations and is also seeking comments on research and evaluation proposal recommendations for each cohort in the expanded MtW Demonstration.

HUD is seeking specific policy proposal recommendations that relate to three MtW

Demonstration objectives. These include: cost effectiveness, self-sufficiency, and housing choice. More specifically, HUD is interested in the following policy areas:

- Increasing the movement of low-income families to high-opportunity neighborhoods;
- Improving education outcomes through housing partnerships;
- Using administrative flexibilities to reduce costs and improve operations, governance, and financial management;
- Structuring alternative rent-setting methods;
- Streamlining admissions, occupancy policies, or both (i.e., work requirements, time limits, waitlist preference alterations);
- Developing strategies to better utilize project-based vouchers;

- Improving the health and well-being of elderly and disabled residents;
- Achieving the goal of ending homelessness for families, veterans, youth, and the chronically homeless; and,
- Cultivating supportive or sponsor-based housing policies.

Current MtW agencies, PHAs hoping to participate in the MtW expansion, and all other NAHRO members that have specific policy proposal recommendations are encouraged to contact NAHRO staff to provide their feedback and insights for NAHRO's policy recommendations.

Comments and recommendations are due 30 days after the date of publication in the *Federal Register*.



Save the Date

IL NAHRO Annual Conference

August 17-19, 2016

Radisson Hotel
Rockford, IL

Community Conversations

By Larry Williams, Freeport Housing Authority



The Housing Authority of the City of Freeport (HACF) has partnered with the Freeport Police Department for the Conversations Over Pizza Program since Fall 2015. The program was founded in Ohio by the Cuyahoga Metropolitan Housing Authority. They have given HACF permission to spread the program to Freeport, IL. HACF is grateful for learning of the program. In late October, the Chief reached out to HACF CEO, Mr. Larry Williams, who then reached out to parents of youth to be involved in a scheduled party. Due to the communication among the Freeport Police Department, HACF CEO, and the parents, the party was able to be stopped from taking place. Had the communication not occurred, the party could have taken place with the potential of people being hurt, minors using drugs and alcohol, etc.

In light of all of the negative press surrounding police all over the country, Mr. Williams feels that it is also just as important that we highlight the police that are doing their job to help keep their communities safe. Mr. Williams found it to be imperative that we build relationships with our police officers because there are situations such as this party that can be prevented. This is one strong reason why the Freeport Housing Authority deemed it necessary to move forward with Conversations Over Pizza (COP), so relationships are being built between community members and police officers.

The C.O.P. Program was designed to build healthy relationships between the cops and youth and families in the community by starting with conversations and has been successful with outcomes benefiting the Freeport Police Department, involved community members and the community as a whole. The Freeport Police Department Chief and different officers have been present at every C.O.P. meeting and fully support and participate in the program. The officers are

there hearing concerns first hand from Freeport area residents and the possible solutions to make Freeport a safer, better place.

There have been seven C.O.P. meetings thus far held at various community buildings throughout the Freeport community with growing participation of over 100 different people having attended at least one of the meetings. Each meeting starts with introductions of all attendees and sharing of why each person is participating. This helps “break the ice” and allows people to get to know one another. Pizza is served and then the true discussion begins!

Discussion includes asking attendees for their concerns and working together to name potential solutions. Some meetings have had specific topics for conversation including shots fired, snitching, burglary,



etc. The Citizens in Action subcommittee is a voluntary group of citizens who actively carry out the solutions discussed at the C.O.P. meetings. The CIA committee has been proactive in designing and distributing through the community signs that say “Citizens In Action: HELP Our Community Fight the Fear of Crime - Speak Up.” The CIA committee is also preparing for a Teen Summit to be in dialogue with teens to learn what they want to see and do in their community.

In February, the Freeport Police Department had indictments of two suspects wanted in the three year old Shell Gas Station murder and a July 2015 murder case. Freeport Police Chief Todd Barkalow shared at a COP Meeting with community members, “We deserve to be safe and we will be with the community’s help . It starts with things like this (COP Meeting) in building relationships.” Sgt Andrew Schroeder added “the information from the community is vital.”

For more information, contact HACF CEO Mr. Larry Williams at lwilliams@hacf.us or 815-232-4171 ext 1015.

An IRGE members observations from Learning from the City

by Ron Clewer, VP IRGE



(Photo by Robert Kozloff/The University of Chicago)

Held at the University of Chicago on March 31, this day long, regional dialogue on the global urban agenda was packed with incredible presenters and information. As one of five regional convenings, co-hosted by HUD in collaboration with civic, governmental, educational, and philanthropic partners the intent is to pave the way to Habitat III, by meeting three primary goals:

- 1) To provide an interactive forum for scholars, practitioners, philanthropists, students, and thought leaders to share local challenges, models, and lessons learned over the last 20 years related to housing and sustainable urban development;
- 2) To stimulate dialogue about connections between local and global urban challenges, and uplift local practices to inform the U.S. policy agenda;
- 3) To strengthen connections among urban development practitioners, scholars, and funders across the Midwestern region.

In my opinion the conference exceeded its goals – I believe connections were strengthened, dialogue was stimulated and the forum of thought leaders and housing policy makers and practitioners was certainly interactive.

My take away, aside from the motivation for continued improvement in our work and the need for increased policy alignment, didn't come from

the mayors or other leaders, it came from Tyrone Galtney in a Q&A session following discussions on grassroots engagement. His passionate plea was both riveting and accusatory. His questions (condensed), "Where are the professionals if we are talking about grassroots? Where are the poor? Where are the parents of the children we lost in the street? Why are they not in this room if grassroots movements are important?" And then he asked why is this taking so long, stating conditions haven't changed substantially since he was a boy in the Robert Taylor Homes...

Tyrone reminded me that while we all seem to want the same outcomes – improved neighborhoods where residents are safe and happy, engaged and employed our difference is time. As housing professionals we speak in months, years and even decades. Our residents, trapped in our troubled neighborhoods, are speaking in terms of now, today or tomorrow. Perhaps the best thing we can do, next to continued real engagement with our residents and neighbors, is to determine how to interpret across that barrier of time and help people sooner. I learned. I was inspired.

It was good to see other NAHRO members, Alan Zais and David A. Northern present for these thoughtful discussions. NAHRO membership is essential in the continued advocacy, support for and implementation of policy that aligns with timely resolution for the conditions in our communities. If you have an opportunity to attend any of the 4 remaining convenings, your time will be well spent.

What is Habitat III? Habitat III is the third United Nations Conference on Housing and Sustainable Urban Development which will take place in Quito, Ecuador in October 2016. The UN convened the Habitat I conference in 1976 in Vancouver. Twenty years later, at the Habitat II conference in Istanbul, Turkey, world leaders adopted the Habitat Agenda as a global action plan to create adequate shelter for all. The goal

of Habitat III is to provide a New Urban Agenda or roadmap for sustainable urban development for cities across the globe and HUD is

Engaged in these efforts.

What is the Convening? “Learning From the City” was one of five convenings co-hosted by HUD across the United States with civic, governmental, educational, and philanthropic partners. The convening has three goals:

1) To provide an open forum to scholars, practitioners, philanthropy, students, and thought leaders for the sharing of local challenges and lessons learned in the last 20 years since Habitat II;

2) To stimulate dialogue about connections between local and global challenges, and uplift local practices to inform the U.S. policy agenda.

3) To strengthen connections among urban development practitioners, scholars, and funders across the Midwestern region.

The convening consists of panel discussions and keynote speakers focused on four themes: Investing in People and Communities for Upward Mobility, Securing Housing Options for All, Responding to Shocks and Building Resilience, and The Role of Big Data in Shaping Regional Policy.

The audience and participants at the convening will include scholars from the Midwest region along with policymakers, community development practitioners and advocates, and members of the philanthropic community, students and the next generation of urban development practitioners, as well as interested members of the public.



United States Department of Agriculture

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Dr. Tom Manion

Tom Manion, CEO of the Irwell Valley Housing Association in Manchester for over two decades, brought an indelible mark for NAHRO, speaking at many NAHRO programs and plenaries and being the first British citizen to receive the NAHRO John D. Lange International Award for his work with housing groups in Europe, Hong Kong and China. Tom was also a distinguished professional fellow of the Chartered Institute of Housing, a fellow of the Royal Society of the Arts and was awarded the Cabinet Office's Public Servant of the Year award in 2003.

At a NAHRO plenary Tom showed a picture of Seaman Fleet, the lookout for the Titanic on the night it sank. Would you give this man another job as a lookout, he asked the audience? Tom said that he would, because he knew that man would never make that mistake again. Tom invested in his staff of over 170 people with a gold standard that brought use of a music room, free healthcare at their home (staff sickness level was less than .5% annually), a gym, personal coaching and more. Staff did not have offices but met in informal lounge areas and otherwise spent all of their time among the residents. "I hate the term human resources", he said. "it sounds like mining for humans." He would say that his managers had to be sociologists, talkers and listeners. "Some people are frightened of talent or manage through bureaucracy. If that's the case, I say kick them out."

And Tom had a Gold standard for residents. A resident who paid their rent on time and followed the lease would be the first to receive upgrades such as kitchen marble countertops—and could even choose the one they wanted for their home. He personally attended every eviction so residents would understand what

was happening and why. He had no patience for burdensome bureaucracy. Once a government official cited the association for an exit sign that was not within exact regulatory measurement from the floor. Tom responded by hiring the youth at the site to paint a mural for the hall that boldly showed the way to the exit. He believed in going beyond providing affordable housing, saying the management is easy but the community development was hard, "spend all of your money on health and education in your communities." In speaking of his creativity and talent NAHRO Past President Betsy Martens said that "some people think outside the box, but with Tom there is no box."

Tom had his own rock band, played for residents, released music CDs, and published books. His international work helped shape housing thought and policy, and he helped in bringing shelter and care to many lives. He died suddenly on Easter Sunday, and will be missed.

Thank you to Beth Abbit, Manchester Evening New, "*Tributes to Irwell Valley housing chief Tom Manion after his sudden death*", March 29, 2016 and Inside Housing, News, Views and Jobs in Social Housing, "*Manion On A Mission*", November 2, 2012, which were used for this article.



10 Tricks To Spring Clean Your Office

Forbes.com

According to a new survey by staffing firm Adecco, a majority of workers (57%) admit to judging a coworker based on the cleanliness of their workspace and nearly half say they have been "appalled" by a dirty office. Don't let the clutter obscure your capabilities. Organization experts offer 10 easy tricks to spring clean your office and keep it tidy.

Divide Your Workspace Into Zones

Organization expert Peter Walsh suggests that every professional first ask themselves, What do I want from my office space, and is it meeting my needs? After establishing how you want and need to use the space, set up zones for your daily functions. You may require a workspace for your computer, a library area for your research, a storage area for supplies and a filing area for your archives. This will provide a foundation for a more efficient use of space.

Keep Only What You Need At Arm's Length

"The only stuff in the radius of your arms should be the stuff you need immediately," says Walsh. Boxes of pens, stacks of papers and old coffee cups need to go. Instead, rid your desk of visual clutter by paring down the items on top to the essentials only. For most, that means a monitor and keyboard, telephone, two pens, one notebook, a lamp and one family photograph in your most-used workspace. Supplies, paperwork and personal items should be kept in the zones you've established for them.

Create A Daily Paper System

"The paperless office is a farce," says Laura Stack, president of time-management consulting firm The Productivity Pro. "Most professionals today are buried under paperwork." Streamline the process with hanging files or baskets labeled To Read, To Do, To File. Establish set days for each, so that you don't get behind or feel the overwhelming need to do everything at once. For ongoing projects, keep these files color-coded and



set them apart from your archives. This way you'll know where everything is and what requires your attention first.

Establish Limits

"The issue isn't space; it's too much stuff," Walsh says. Set limits on the amount of stuff you'll tolerate from the beginning. Allow yourself one bookshelf. When it's full, give away one book for every new one that you add to maintain that limit. The same goes for filing. When the cabinet becomes loaded, it's time to de-file, tossing some of the paperwork you no longer need. The long-term upkeep will be just as important as your original organization plan.

Sort Your Catch-All Drawer

"Most people throw things into a desk drawer to get them out of sight," says Jane Brown, founder of organization and design firm Jane Brown Interiors. After time, however, they have no idea what's in that drawer and become anxious even opening it. Brown suggests using drawer dividers to give everything a place, like compartments for paperclips and rubber bands. Then go through the drawer every six weeks and clear out anything that is out of place or isn't being used. And put

this task on your calendar, Brown warns, so you that you keep the appointment.

Don't Use E-Mail As A To-Do List

Stack says most of us are drowning in e-mails and too often use our inboxes like to-do lists. Digital clutter can be just as stressful and energy-sapping as physical clutter, she says. Stack suggests organizing your inbox similar to your paper files, either with folders or with task functions built into the software. For example, rather than flagging an email unsystematically, use Outlook or Entourage commands to set a reminder to follow up.

Streamline Your Desktop Icons

"Every morning your office should welcome you and motivate you to do your best work," says Walsh. That includes your computer, which is the modern worker's essential tool. A screen cluttered with icons will trigger your stress hormone and make it impossible to find anything. Instead, create a logical digital filing system and reduce your desktop icons to a select few. By the same token, clear off any sticky notes or reminders from your monitor, as they will only distract you from your work.

Hang Hooks For Outwear

Personal items will quickly overwhelm a space if they don't have a specified place off the floor or desk top, says Brown. She suggests hanging hooks in your office or from your cubicle walls to

organize your outerwear. Provide a separate hook for your purse, jacket, accessories and umbrella for visual appeal, and get in the habit of hanging each everyday. This way your colleagues and guests won't need to step over your bag or sit on your coat.

Keep A Basket Or Drawer For Short-Term Storage

Even with the best-laid organization plans, there may still be some overflow. Know yourself and your habits. You may need an area for short-term storage. Perhaps you receive a daily newspaper or a few magazine subscriptions. Keep a basket devoted to these items, and clear them out on a rolling basis. Similarly, if you frequently carry a gym bag or change of shoes with you, designate a drawer or cupboard shelf for these things to get them out of the way.

Disinfect Regularly

Even if you're neat, you still need to prevent the build-up of dust, dirt, food stains or fingerprints. Adecco's Jennie Dede suggests regularly requesting or expensing disinfecting wipes and giving your desk, phone, keyboard and monitor a wipe down once a week. The habit will also force you to tidy up loose papers and lingering trash. According to the survey, three quarters of workers say a clean office makes them more productive.



2016 Summer Conference
Realizing America's Promise
July 15-17
Hilton Portland & Executive Tower • Portland, OR



2016 National Conference & Exhibition
Imagining America's Promise
October 14-16
Hyatt Regency New Orleans • New Orleans, LA

Critical Documents: Your REAC Report and Photo Index

by Michael Gantt, Senior VP, The Inspection Group

Executive Summary: Download, study, and retain electronic copies of your REAC Inspection Summary Reports and associated photo indices. These provide valuable information that can help you improve your REAC scores while reducing the cost of achieving this goal. These documents are also the basis for preparing appeals which can significantly improve the outcome. Preserving these documents is easy, and your plan for managing future REAC inspections is incomplete without this critical component.

Details:

Every owner or manager of a property that is subject to the REAC (Real Estate Assessment Center) inspection should understand the importance of reading and maintaining a permanent copy of their REAC Inspection Summary Report. This document provides an important key to understanding how REAC scoring works and the how to plan for the successful outcome of future inspections.

The REAC scoring system works a little differently for every property due to hundreds of variables that can shift the balance of the scoring breakdown between the five Inspectable Areas: Site, Exteriors, Systems, Common Areas, and Units. This, in turn, affects the scoring value of every potential deficiency. Recognizing these effects allows the user prioritize their efforts to achieve a good score on the next inspection.

If you are not basing your own REAC preparations on a solid grasp of the scoring system, you are likely spending far too much time and money getting ready for inspections, and not achieving the best possible results in the most efficient way. If you are not analyzing and retaining a copy of your REAC report, it is unlikely you are basing your REAC preps on sound decisions that weigh the scoring value of known issues against the time and money required to resolve them.

The Summary Report should be downloaded from HUD's Secure Systems website as soon as possible when a REAC score is released. The release date – the date when the report becomes available – is what determines your deadline for appealing the result. HUD does not necessarily inform you when the report has been released, and if you wait for this to happen, it is possible that your deadline for appeals may have passed before you are even aware of your score.

Management companies and ownership entities who are actively retrieving and analyzing their REAC results will achieve better overall results because they have a better understanding of the scoring system, and this guides their preparation activities. They are also better

Easy Steps:

Know who has your User ID and Password to the HUD Secure Systems

Have this person log in and locate records for your property, completing these added steps:

1 – Note the most recent score and REAC report release date

2 – Click on the Adobe Acrobat icon under “View POA” to download the REAC Inspection Summary Report, saving it as a file rather than printing it for future use. Rename the file when saving to reflect the property id and REAC date.

3 – Click on the Photos link to access the photo index pages.

4 – Using the browser file menu, select “Save As” and select the simple webpage htm/html option.

5 – When saving the first page, append a “1” to the file name. Append a new page number to each page to avoid overwriting the prior page file, until all pages have been saved.

prepared to mount an appeal when necessary to push their score from an 89 to 90, for example. They don't waste the opportunity due to missing the deadline.

Beyond that, it is impossible to compile an effective appeal without having the REAC report in hand and understanding the findings it contains. As of early 2013, inspectors have been required to take photographs of all Level 3 (High Severity) defects. These photos can be downloaded from the same web site as the REAC scoring report. Reviewing these photos can reveal opportunities for appeals, or can be instructive in the preparation and documentation of appeals.

Every property that is subject to REAC has a designated contact who has been assigned a user ID and password for accessing the Secure Systems. This person should be logging in to the system on a regular basis to monitor the status of the property in HUD's data base. Particularly, in the immediate wake of a REAC inspection, this person should be checking the system daily to note the release date and score, and to download the report and photo index pages.

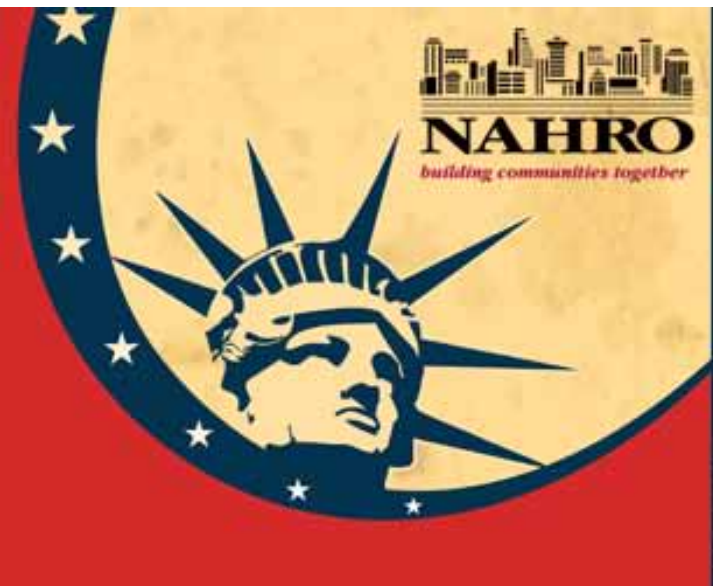
It is important to download and save a copy of the report in PDF format and photo index in HTML format rather than simply printing copies. The PDF is text searchable, and can be converted to an Excel spreadsheet if desired. It can be stored electronically, and can be reprinted with good, legible quality again

and again, as opposed to sharing documents that may accumulate handwritten notes and degrade with recopying. The photo index provides a key to the meaning of each photo, and when properly saved in html format provides interactive links that allow the user to view each photo online without being logged into the HUD system.

It is not necessary to download and preserve the individual photos themselves. It is much more useful

to view the photo index page and then save it as a web page file. The index lists each Level 3 defect and links it to the associated photo. The photos themselves are not labeled in any useful way to indicate which defect they represent. Without the index, it is impossible to be certain which photo goes with which defect.

Want to learn more? Email the author at mike@theinspectiongroup.com



2016 NAHRO Washington Conference
Keeping America's Promise

April 10-13, 2016

Crystal Gateway Marriott, Arlington, VA



One Property's REAC Nightmare

This is the true story of REAC inspection gone horribly wrong in December of 2015. It involves allegations of corruption and apparently coercive behavior on the part of the REAC inspector, and allegations of the bungling of the appeal by a reviewer who was either unaware of REAC's own rules and policies, or who engaged in intentional obstruction of the appeal.

Why should you care? Because, this could happen to you, even if you feel that you are prepared for the worst that REAC can throw at you.

On a cold morning in December, 2015, a REAC inspector at a property in a small town in the Great Lakes region. After looking over the initial paperwork, the maintenance

man alleges that the inspector announced that he was not only an inspector, but that he could also provide consulting services to help the staff achieve higher REAC scores in the future.

The maintenance man said the owner would have to consider this. When the inspector - who had come from out of state to conduct this inspection - learned that the owner coincidentally lived very near his own East Coast home town, he asked the maintenance man to call the owner.

The owner alleges that during the call, the inspector explained that although it was too late to hire him to help improve the score at the property being inspected, it would not represent a conflict of interest to hire him to work at other properties in the portfolio. He invited the owner to meet for lunch at a location between their two homes. The owner was skeptical of this, and declined the invitation.

After this conversation, the inspector then conducted the inspection, during which he cited over 25 Level 3 deficiencies that were contrary to REAC policy.

This property was undergoing some redevelopment, and about 50% of the units were vacant. The management had very prudently turned off water valves to sinks and toilets to prevent damage from leaks that might occur while the units were down, with nobody living there to report such problems. They had also turned off circuit breakers to electrical appliances and fixtures to prevent wasted energy and potential safety issues.

The maintenance man explained this to the inspector,

and said he would turn on water valves and breakers. The inspector prohibited this and informed the maintenance man that it would be necessary to cite every affected item as inoperable. He also said that if the staff insisted on turning on breakers and water valves, he would stop the inspection and the property would be penalized.

It is a verifiable fact that the inspector cited 23 Level 3 defects for inoperable sinks, toilets, refrigerators, stoves, and other high scoring items with a total scoring deduction value of over 20 points. This is in the official report.

It is also verifiable fact, in the report, that the inspector cited Level 2 Cracks and Gaps, which would rightly mean that the inspector observed a crack or gap of at least 1/8 inch in width, but less than 3/8 inch. It is alleged that the inspector did not mention this at the time of the observation, but that he waited until he and the maintenance man were back indoors, inspecting the interior of the building.

The inspector therefore never pointed out the location of the crack to the maintenance man. When REAC report was issued, the inspector had given no comment what-so-ever to indicate where this was observed. The shocker for the property was that the unidentified 1/8 inch crack resulted in a scoring deduction of a staggering 8.28 points.

In the aftermath of the failed inspection, no such crack could be found. The property hired a licensed engineer to examine the foundation and sign a report saying that there was no crack exceeding 1/8 of an inch in the foundation. The appeal used this very specific language, "no crack greater than 1/8 inch," because this is the minimum threshold for the citation of a crack in the foundation. Level 2 Cracks must be at least 1/8 inch, while Level 3 Cracks must be at least 3/8 inch. Cracks under 1/8 inch are not now, and have never been a defect according to the published UPCS definitions.

The property also appealed the electrical and plumbing defects that resulted from breakers. They hired an electrician and a plumber to visit the property to certify in writing that all items reported as inoperable due to the breakers and water valves being turned off were, in fact, operable. They submitted an appeal that explained that the items had not actually been inoperable, but that the inspector had not allowed them to demonstrate operation by turning on water and electricity.

When the appeal results came back, the reviewer rejected every single issue that involved water valves and breakers being turned off. He or she stated specifically that property staff are prohibited from engaging in maintenance activities like turning on breakers and valves. This is untrue. In a subsequent email exchange with a high level official within

REAC, the official confirmed that it is REAC's policy that water and electricity may be restored to appliances and fixtures in such a case, and that the inspector should only cite them as inoperable after this has been done.

The reviewer also rejected the appeal on the Level 2 Cracks and Gaps. In his or her response, it was stated that because the engineer stated there was "no crack greater than 1/8 inch," this statement confirmed that there were in fact cracks of precisely 1/8 inch. The reviewer went on to say that, since the property was arguing over the size of the crack (which is not really the case) this was a dispute over the Level of Severity, and REAC is not permitted to grant appeals based on Level.

It is not true that this was an argument over the Level of the defect. The published rules of the inspection state very clearly that a crack must be great than 1/8 inch as a minimum threshold. There is no defect for cracks of 1/8 inch or less according to REAC's own rules. The thing that amazes everyone close to this story is that a reviewer who possesses the remarkable ability to deduce that the engineer's statement "no crack great than 1/8 inch" somehow objectively confirms that "there were cracks of 1/8 inch" was unable to deduce that the minimum threshold of "greater than one inch" means that a crack of 1/8 inch "is not a defect at all."

Keep in mind that the inspector represented himself as a REAC consultant. As a REAC consultant, he would know the scoring value of every defect, and would know exactly badly it hurt when he cited over 20 Level 3 defects on kitchen and bathroom appliances. He would know the scoring impact of a Level 2 Crack, and if he was representing the property during an inspection he would insist that the inspector show him the crack and note the exact location. He would also know that the property has a right to restore water and electricity in this case.

Above all of this, one would certainly hope that the REAC reviewer in charge of approving or denying an appeal that is this important to the property would also know REAC's own rules.

Witnesses to the alleged solicitation have been interviewed by REAC, and it is reasonable to assume that the inspector has been interviewed as well. The status of the property and the status of the inspector are certainly both under review. In the meanwhile, when presented with these facts, REAC has not to date reversed the rejection of these 24 items or declared the inspection invalid, and the property is still in the limbo of REAC failure, but one must wonder whether it is the property or REAC that has failed.

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