

April 3, 2014 Vol. 5, Issue 2

## TOP STORIES

### First round of 2014 low-income housing tax credit awards announced

During its February meeting, PHFA's Board of Directors approved \$16.8 million in low-income housing tax credits and \$1.9 million in PennHOMES funding for the construction of affordable multifamily housing developments located in urban centers throughout Pennsylvania. These tax credits will be used by developers to attract more than \$160 million in funding for building, and rehabilitating, multifamily housing that offers affordable rents.

The awarded tax credits and PennHOMES funding will help support the construction of 19 new and rehabilitated developments throughout the state. Upon completion, these developments will provide 867 additional rental housing units for Pennsylvania residents.

Check the [PHFA website](#) to view the 19 multifamily housing proposals that received tax credits. A second round of funding for suburban and rural areas will be announced in July.

### PHFA visits Capitol Hill during NCSHA Legislative Conference

Several members of PHFA's staff attended the National Council of State Housing Agencies' Legislative Conference held in Washington, D.C., in early March. PHFA's executive director, Brian Hudson, is the current president of NCSHA. During the conference, Hudson moderated several panels consisting of some of the nation's top housing officials and advocacy groups.

PHFA's representatives also met with members of the state's congressional delegation to discuss preserving and strengthening the low-income housing tax credit program, maintaining the housing bond program, designing a housing finance system that allows access to affordable capital to operate single-family and multifamily housing programs, along with many other topics. The purpose of the conference is to bring state housing finance agencies and legislators together to allow HFAs to express their state's housing concerns.



Ginnie Mae President Ted Tozer (left) and PHFA Executive Director Brian Hudson discuss affordable housing finance, reform efforts in Congress, and the future of Ginnie Mae during the conference.

### PHFA gains Multifamily Accelerated Processing lending capability

PHFA is now an approved Multifamily Accelerated Processing (MAP) lender. Owners and buyers of multifamily properties use MAP because their loans gain the benefit of being insured by the U.S. Department of Housing and Urban Development. Other advantages to using this program is that it gives the borrower the ability to access funds at a rate lower than a conventional interest rate, and with a longer term. Proceeds from the MAP's insured loans may be used to acquire or renovate existing multifamily projects or construct new ones. To begin the MAP approval process, an owner or buyer must prepare and submit an application to an approved MAP lender, which now includes PHFA. On average, this process may take 6-9 months to complete.

(Cont.)

PHFA got involved as a MAP lender because it saw this program as a way to help multifamily developments remain as properties offering affordable rents. This new capability advances PHFA's mission by helping an existing owner or buyer of these properties contain their ownership costs which, in turn, helps to preserve affordable housing stock in Pennsylvania.

## HOMEOWNERSHIP



**Mortgage America was honored as PHFA's Top Lender with 399 home loans funded. Presenting the award were Executive Director Brian Hudson (left), Banking and Securities Secretary and PHFA Chairman of the Board Glenn Moyer (second from left), and Deputy State Treasurer and PHFA Board designee Keith Welks (far right).**

### PHFA lending partners honored

PHFA held its annual Lender Awards in mid-March at its Harrisburg headquarters to honor its top lenders. The agency's lending partners assist homebuyers with the PHFA loan process through application, processing and closing of the loan. PHFA then purchases the loans from the originators and services them for the life of the loan.

Out of approximately 100 lending partners, earning top honors was Mortgage America for top originator with 399 home loans in 2013. Following behind Mortgage America for most PHFA loans processed, in ranking order are: Howard Hanna Financial Services, Inc.; Jersey Shore State Bank; Gateway Funding Diversified; Mortgage Network Corp., dba MNET Mortgage Corp.; Boulevard Mortgage Company of PA (BMC); Liberty Mortgage Corporation; West Penn Financial Services, Inc.; Allegheny Mortgage Corp.; and Continental Bank.

AFC First Financial was also recognized for Most Renovate and Repair Loans. The R&R program provides financing for home repairs, improvements and energy efficiency at affordable terms with flexible underwriting criteria. The program is supported by the Pennsylvania Treasury Department. AFC processed 120 R&R loans in 2013. To view other special award recipients visit the [PHFA website](#).

## MULTIFAMILY HOUSING

### New Rental Assistance Demonstration program being explored

The Rental Assistance Demonstration (RAD) program was a hot topic discussed at PHFA's 2013 Commonwealth Housing Forum in Harrisburg. Since then, the agency has formed an internal study group to investigate the opportunities presented by RAD. The RAD program would provide housing authorities with the ability to create new forms of ownership for public housing that would let them tap into sources of investment, such as tax credits and tax exempt volume cap funding for multifamily buildings. If proven feasible, RAD will open the use of tax exempt bond funding and 4 percent tax credits to infuse new money into the improvement and maintenance of public housing's existing multifamily stock.

Residents in public housing facilities will be the main beneficiaries of the program because this new approach could provide the investment needed to improve developments that have been lacking the funding to keep up with maintenance and property enhancements. This could then preserve some multifamily housing developments that are in jeopardy. PHFA anticipates being actively engaged with public housing authorities during the program's demonstration period to see if its new approach will transform this housing stock.



**PHFA's Executive Director Brian Hudson was in attendance to accept CSH's Supportive Housing Champion award.**

### **Supportive housing group recognizes PHFA**

PHFA was recognized by the Corporation for Supportive Housing as Supportive Housing Champion, in the agency category, at the 2014 Eastern Region Supportive Housing conference held in March, in Philadelphia. PHFA was selected to receive the award for its extensive efforts to expand access to supportive housing through creative incentives in low-income housing tax credit properties.

PHFA's Holly Glauser, director of development, was on hand at the conference as part of a panel to discuss using mainstream resources to develop supportive housing. When receiving a low-income housing tax credit award, developments are encouraged to include some type of support services on the premises. Due to the existence of on-site supportive services, 937 properties reported a savings to property management, 138 residents became homeowners, 3,530 residents received health related services, 864 residents received crisis intervention and support counseling, and 481 properties experienced a reduction in crime in 2013.

### **The Brew House receives Innovation in Design Award**

A group of affordable housing professionals recognized the Brew House, located in Pittsburgh, for PHFA's Innovation in Design Award in February. The Brew House is one of the developments that was awarded low-income housing tax credits by the agency. This large brick structure formerly housed a brewery. It is being revitalized and will now create affordable and market-rate housing for local artists in the city's South Side neighborhood. The Brew House proposal to repurpose the historic building received the special award based on its excellence in design, implementation of current and future energy efficient technologies, and leveraging of community and capital resource.



**Artist's rendition of the Brew House, now under development. Illustration courtesy of TREK Development. Group**

## **HOUSING SERVICES**



### **2014 Housing Services Conference registration opens April 1**

Mark your calendar for the 2014 PHFA Housing Services Conference being held June 18-20, for the first time ever, at the Scranton Hilton & Conference Center. The conference brings together service coordinators, property managers, community based organizations, and other housing partners for an open exchange of information about industry trends.

New this year is the Call for Best Practices Showcase. The showcase calls for attendees' innovative solutions for connecting with their communities. They are invited to fill out a Showcase application and, if their idea is chosen, they could receive discounted registration and recognition during the conference.

The event's keynote speaker Dr. Robert Orndorff will deliver a presentation about working with difficult people in the workplace. All attendees will receive a copy of Dr. Orndorff's book. The host committee is also planning an off-site evening event on June 18 that will include food, a D.J., and the Scranton trivia game. Don't miss out on this informative conference. [Register](#) online today. For all the conference details visit [PHFA's website](#).

## INFORMATION RESOURCES



### PHFA's 2013 Annual Report is now available

The agency has posted its annual report for the 2013 fiscal year on its website. The report documents PHFA's financial performance along with stories about PHFA customers who have benefited from programs and services offered by the agency. The [report](#) can be viewed on the Web, or for a printed copy please contact Renae Hodges at 717.780.4016 or [rhodges@phfa.org](mailto:rhodges@phfa.org).

### HOMEOWNERS' EMERGENCY MORTGAGE ASSISTANCE PROGRAM HEMAP director retires after three decades of service

Daryl Rotz, director of the Homeowners' Emergency Mortgage Assistance Program, retired from the agency at the end of March. Rotz dedicated 31 years of service to Pennsylvania residents through his work with PHFA. As the director of HEMAP, he managed one of the leading foreclosure programs in the country, bringing assistance to more than 22,079 Pennsylvania families. The HEMAP program is so successful it has been used as a model for other states and the federal government.

In addition to his work with HEMAP, Rotz also oversaw the administration of the federal Emergency Homeowners' Loan Program (EHLF) in the state. Under his direction, Pennsylvania was a national leader administering EHLF funds, allocating a total of \$108 million to help 2,876 troubled homeowners across the state. Through all of his dedicated service with PHFA, he has helped make Pennsylvania a better place to call home.



PHFA Executive Director Brian Hudson presents Daryl Rotz, director of HEMAP, with a retirement plaque honoring Rotz for his 31 years of service with PHFA.

## SIDE NOTES



Shirts were sold to help raise money during Denim Day.

### PHFA employees join the fight against breast cancer

PHFA raised \$2,933 during Lee National Denim Day in October 2013. Denim Day is a fundraiser during which participants donate \$5 or more so they can wear jeans to work on a designated day. This year the funds supported the American Cancer Society and their breast cancer programs. PHFA also provided \$300 to each of the local American Cancer Society offices in Lancaster, Blue Bell and Pittsburgh. Baked-goods and shirt sales, a raffle, and mini-walk-a-thon contributed to the total funds raised. The agency thanks its staff for enthusiastically supporting Lee National Denim Day and efforts to help cancer patients in Pennsylvania and nationally.

---

Tom Corbett, Governor • Brian A. Hudson Sr., Executive Director & CEO

To receive an e-mail notice when a new issue of PHFA Developments is posted, or for comments and questions, please write Renae Hodges at [rhodges@phfa.org](mailto:rhodges@phfa.org)

Pennsylvania Housing Finance Agency, 211 N. Front St.  
PO Box 8029, Harrisburg, PA 17105-8029  
717.780.3800 • 717.780.1869 (TTY)

