

July 19, 2016 Vol. 7, Issue 3

Top Stories

In this issue:

(Text links to story)

TOP STORIES

- Gov. Wolf announces tax credits for affordable housing
- PHFA awards extra points for Passive House LIHTC design
- Five-year housing strategy unveiled
- Sec. Wiessmann announces state agency information exchange

PHARE UPDATE

- RFP issued for Marcellus Shale/PHARE funding

PUBLIC OUTREACH

- PHFA launches improved website

PHFA AROUND THE STATE

FORECLOSURE PREVENTION

- PHFA amends HEMAP regulations

HOUSING SERVICES

- Section 811 Program Rental Assistance offers more units

FAIR HOUSING PRACTICES

- HUD rules on criminal records used in screening

COMMUNITY INVOLVEMENT

Governor Wolf announces tax credits for affordable housing



Development, Holly Glauser, reviews LIHTC allocations at PHFA's July board meeting.

On July 14, Governor Tom Wolf announced \$40.3 million in Low-Income Housing Tax Credits (LIHTCs) and \$5.9 million in PennHOMES funding for the construction of affordable rental housing across Pennsylvania. The tax credits were approved during PHFA's July board meeting. The funding will be used to attract more

than \$407 million of investment and support construction and rehabilitation of 39 developments statewide. When completed, the developments receiving funding will preserve and create an additional 1,875 rental housing units for Pennsylvania residents.

One proposal awarded tax credits was selected by a jury of affordable housing professionals for a funding award under the "Innovation in Design" category. Morningside Crossing in Pittsburgh will offer 46 units of affordable housing for seniors and rehabilitate the former Morningside Elementary School. The adaptive re-use of the building will follow Passive House design and the energy usage will be monitored to ensure efficiency.

The 39 multifamily housing proposals receiving LIHTCs can be viewed on [PHFA's website](#).

PHFA awards extra points for Passive House design for LIHTC

PHFA has always made energy efficiency in its properties a priority, and is now taking an extra step to ensure residents continue to reap

the benefits of living in an energy efficient apartment. The agency has added points for Passive House design into its qualified application plan for the Low-Income Housing Tax Credit (LIHTC) program. Developers applying for the LIHTC may be awarded an extra 10 points for projects that meet Passive House certification.

Passive House is a rigorous standard developed by the Passive House Institute in Germany to attain a high level of energy efficiency in buildings through design principles including an airtight building envelope, high-performance windows and doors, and the management of solar gain to use the sun's energy for heating and minimize it for cooling.

Residents of these energy efficient developments benefit from utility savings and the cost savings is also passed along in operating the property. Seven developments that were allocated LIHTCs last year were committed to Passive House design principles.

Five-year affordable housing strategy unveiled

In late May, the Department of Human Services (DHS), the Department of Community and Economic Development (DCED), and PHFA announced a five-year housing strategy to connect Pennsylvania residents with affordable and supportive housing. The joint effort was announced during a grand opening event at Shepherd's Crossing in Mechanicsburg, an inclusive workforce housing community.

Initial steps to be taken include: Using a portion of the "Money Follows the Person" federal grant funds to expand the number of regional housing coordinators across the state; enhancing and expanding use of the housing network database operated by PHFA to match those who need housing with affordable housing throughout the state; continuing the "Rapid Rehousing" pilot program that is ongoing in Philadelphia to help those who have recently become homeless and those who have experienced difficulty finding permanent housing; and expanding the use of Medicaid dollars to help move people to stable housing and maintain housing through housing-related supports.

The strategy will help support Pennsylvanians now living in institutions who are able to live in the community with housing services and supports, and people experiencing homelessness or at-risk of homelessness, or who have extremely low incomes and are rent-burdened. There is no quick fix to address these issues, DHS Secretary Ted Dallas explained, but the five-year strategy is a start to bringing the state's vision to a reality.



Video of PHFA's Executive Director Brian Hudson offering opening comments at five-year strategy event.

Secretary Wiessmann announces state agency financial information exchange

Secretary of Banking and Securities Robin L. Wiessmann announced the formation of a state government financial information exchange at Harrisburg University's "What Does Financial Literacy Mean to Me?" awards ceremony in mid-April.

Twenty state government agencies that offer some form of financial education or outreach to consumers will participate in the exchange. PHFA is one of the participating agencies.

The exchange will also be working on creating inter-agency collaborations on issues such as cyber security, financial fraud, and financial products being sold to senior citizens. Learn more at www.dobs.pa.gov.

PHARE Update

RFP issued for use of Marcellus Shale/PHARE funding to improve housing

In mid-June, PHFA issued a Request for Proposals (RFP) for projects to improve the availability and affordability of housing in the Marcellus Shale region. The deadline for proposal submittal is 2 p.m. on August 12. Eligible applicants include counties that have adopted ordinances authorizing the imposition of an impact fee and that have unconventional gas wells. Funding to address these housing needs comes from Marcellus Shale impact fees and is administered from the Pennsylvania Housing Affordability and Rehabilitation Enhancement (PHARE) fund.

The agency will host a webinar during which potential applicants can ask questions and get clarification about the requirements of the RFP. The webinar will be held on July 20. More information about the sessions is posted on the [PHFA website](http://www.phfa.org), or by contacting Clay Lambert at 717-780-3924.

Public Outreach

PHFA launches new and improved website

PHFA launched its redesigned website at www.PHFA.org in mid-June. It was developed by the agency's webmaster and draws on data about which PHFA programs visitors are most often seeking. It has been redesigned to make that information more easily available. Most information now can be found in just a click or two.

(Cont'd)

The new website focuses on the interests of homebuyers, homeowners, and renters by prominently displaying menus linking directly to programs for these customers. Also, information for all of PHFA's business partners is now grouped together on a single pull-down menu on the homepage.

In addition to streamlined information location, the site can easily be read on different size screens, from desktops to cell phones. The website was also designed to be more accessible for people with disabilities, especially visitors with vision impairments looking for help with housing needs.

PHFA Around the State



Freedom Square Apartments located in Erie celebrated its grand opening with a site tour in May. On hand for the tour and to discuss the value and impact of Low-Income Housing Tax Credits (LIHTCs) was Senator Bob Casey (center), Erie County Executive Kathy Dahlkemper (fourth from left), HANDS President & CEO Charles Scalise (fifth from left), PHFA's Director of Government Affairs Bill Fogarty (second from right), along with other partners and officials. The property offers one- and three-bedroom homes and was funded, in part, by LIHTCs from PHFA.

PHFA's Executive Director Brian Hudson, spoke at the groundbreaking ceremony for Mann Edge II in Lewistown in May. The development will feature 31 one- and two-bedroom affordable housing units for people 62 and older. Four of the apartments are designed for handicapped residents who need wheelchair accommodations. The development will use tax credits administered by PHFA.



Gennaro Gardens held its grand opening ceremony in mid-June in Hazleton. The building's namesake, Charles Gennaro, was in attendance along with other officials including Hazleton Mayor Jeff Cusat. Gennaro, 94, served as chairman of the board for the Hazleton Housing Authority for 18 years. The development consists of 36 one-bedroom apartments for seniors age 62 or older. PHFA provided LIHTCs to help fund the project.

Grove Street Commons in Williamsport held its grand opening ceremony in late May. Joining the celebration was PHFA's Director of Development Holly Glauser (center) along with other partners and officials. The development provides 32 units of affordable housing for seniors. The project was funded, in part, by tax credits administered by PHFA.



(Cont'd)



PHFA's Director of the Western Region Carla Falkenstein addresses partners and other attendees at the groundbreaking ceremony for Hillcrest Senior Residences in Pittsburgh in May. The development will offer 54 one-bedroom units and 12 two-bedroom units that will be available in 2017. PHFA provided LIHTCs for funding of Hillcrest Senior Residences.



New senior apartments replace the former Bern Furniture building in Towanda that burned down in 2006. Towanda Terrace celebrated its grand opening with a ribbon cutting ceremony in May. The building has 38 one-bedroom apartments for older Pennsylvanians and retail space on the ground floor. PHFA provided tax credits to help fund the project.

Foreclosure Prevention

PHFA amends HEMAP program regulations

PHFA has published amendments to the policy statement for the Homeowner's Emergency Mortgage Assistance Program (HEMAP), which contains the program guidelines and describes the procedures used by PHFA to determine the eligibility of homeowners for assistance under the program. The revisions also make material changes to the uniform Act 91 Notice.

Lenders will see multiple changes to the Act 91 Notice, including the revision that the notice must be sent in English with a Spanish translation on the reverse side. In addition to English and Spanish, the Act 91 Notice is now available in other languages on [PHFA's website](#) as well.

The new uniform Act 91 Notice form can be used now but must be used beginning September 1.

Housing Services

Section 811 Program Rental Assistance is offering more units for people with disabilities



PHFA, DHS and HDC Mid-Atlantic signing event for the Section 811 Rental Assistance Program.

PHFA, along with the Pennsylvania Department of Human Services, held a multi-Rental Assistance Contract (RAC) signing event in mid-June at the Umbrella Works Apartments in Lancaster. Participating was HDC Mid-Atlantic, which has agreed to include the 811 program on six of its properties located throughout Dauphin, Lancaster and York counties.

The Section 811 Program serves extremely low-income people with disabilities who are age 18-61 upon move-in and who qualify for one of three priority populations: institutionalized, but able to live in the community with permanent supportive housing; at risk of being institutionalized, without permanent supportive housing; or, living in a congregate setting and seeking housing within the community.

In the last year, RACs have been signed with Fairville Management Company in York and Chester counties, Mission First Housing in Philadelphia and Pennrose Management Company in Dauphin County. PHFA has also received multiple RACs from Ingerman Management Company in Philadelphia and the Beaver County Housing Authority. A full list of all contracts can be found on [PHFA's website](#), which will be updated as more contracts are added to the program.

Fair Housing Practices

HUD rules using criminal records in screening can create potential discrimination

HUD recently issued guidance regarding the common practice of using criminal records during the screening of potential tenants. The new HUD guidance discusses how using criminal records during the screening process to deny occupancy can constitute a violation of the Fair Housing Act. The Fair Housing Act prohibits discrimination in the sale, rental, or financing of dwellings or other housing-related activities on the basis of race, color, religion, sex, disability, familial status or national origin.

As confirmed by the 2015 US Supreme Court decision, actions which are not on their face discriminatory, but which have a disparate effect or impact on one or more protected classes, may trigger liability under the Fair Housing Act. As HUD details in the preamble to the guidance, there are a disproportionate number of African Americans and Hispanics with criminal records across the United States. Hence using criminal records to bar admission to affordable housing may burden potential tenants of one race or national origin more than another. Therefore, if a housing provider's policy restricts access to housing based on criminal records and is discriminatory in effect, the policy may meet the threshold to establish potential violation of the Fair Housing Act under HUD's recent FHA Rule.

To read the full article, complete with legal citations, please visit our [website](#).

Community Involvement



PHFA received an award from the State Employee Combined Appeal (SECA) in April for the highest percentage of employee participation among agencies with 100-999 employees during its 2015 campaign. PHFA employees raised \$43,506 for the charities of their choice with 69.45 percent participation. Shown are Brian Hudson, PHFA's executive director, and Deb Hammond, PHFA's SECA coordinator.



PHFA employees show off their bowling skills as they participated again this year in the Big Brothers Big Sisters Bowl for Kids' Sake in May. The event helps raise money to match adult volunteers with children facing adversity to develop positive and lasting mentoring relationships. PHFA had 12 teams with 50 employees participating and raised \$4,878 for the cause.



Tom Wolf, 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

Pennsylvania Housing Finance Agency, 211 N. Front St.
PO Box 8029, Harrisburg, PA 17105-8029
1-855-U-Are-Home • 717.780.1869 (TTY)

