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Mr. HUD Reminisces About the 2008 Housing Management Conference



Mr. HUD hopes everyone had as much fun as he did at this year’s Multifamily Housing Conference. He was able to combine two of his favorite events, Derby Week and Conference, with this year’s schedule. Not only did he get to spend time with all of his multifamily housing friends, but also got to horse around with all his horsing buddies, and in some cases combined the two. Mr. HUD was somewhat puzzled on Tuesday night at the Derby Museum when, after enjoying the wonderful slideshow and dinner, he was showing some folks around the museum and reminiscing about days at the track and he discovered most of the group had gone back to the Galt House. Mr. HUD and his group continued until closing time with the private tour.

Then, on Wednesday he noticed several housing friends in the crowd watching the selection of Derby post positions at 4th Street Live. Mr. HUD was, of course, busy advising his horsing around buddies on the appropriate gates for their horses. He has to admit that he told Bob Dutrow that selecting that far outside gate for Big Brown was likely a mistake unless that horse could get up near the front early and hang on outside and make a big push at the end to win it. As everyone knows now, Big Brown did indeed pull it off.

Continued on page 9

Meet John Hamm, Supervisory Project Manager for Production



The Louisville Field Office is pleased to announce that the Production Supervisory position for the Multifamily Division has been filled by John Hamm. He will undoubtedly fill these shoes nicely as he takes on the joys and tribulations of supervising a rowdy yet pleasant bunch of production staff.

John was born in Elizabethtown, Kentucky. He describes himself as being laid back as a child. By the ripe old age of 48, John knew that he wanted to be a HUD employee. He started his trek at KHC where he worked as a multifamily appraiser. John began his career at HUD in October of 2002, also as a multifamily appraiser.

John holds a bachelor’s degree in general studies with a concentration in business management. He earned this degree through the University of Kentucky and Western Kentucky University. John says that the most valuable lesson he learned in his younger years was that he needed to go back to school. He came to this realization while in the Navy working as a reactor operator on a nuclear submarine. He did this for four years, sometimes staying submerged for 30 days at a time.

In addition to working for HUD, John enjoys hiking, hunting, and fishing, spending time with his kids and wife, the color blue, and eating rare steak and cherry pie with vanilla ice cream—not at the same time. Ironically enough, John also enjoys country ham with biscuits and ham sandwiches at his mom’s house. Please congratulate John as he takes on challenges in his new capacity at HUD as Supervisory Project Manager for Production.

Redbanks Regency Apartments

HUD recently joined the Henderson County Health Care Corporation to celebrate the grand opening of Redbanks Regency Apartments located in Henderson, KY. The new affordable housing community consists of 47 one-bedroom units for very low-income elderly individuals.

Redbanks Regency Apartments was developed under HUD's Section 202 Supportive Housing for the Elderly Program with an interest-free capital advance in the amount of \$4,172,600. The capital advance remains interest-free and does not need to be repaid as long as the housing remains available to very low-income elderly people for at least 40 years.

Residents will not be required to pay more than 30 percent of their income toward their housing expense. These low rents are made possible by HUD's agreement to provide Project Rental Assistance of up to \$138,800 annually to supplement the rental income received from the residents. In addition to the capital advance and rental subsidy, HUD provided a Section 202 Demonstration Planning Grant in the amount of \$173,442 to cover any upfront expenses related to the development of the project prior to initial closing. Without this grant funding, such costs would not be reimbursable until closing which can be financially difficult for many non-profit sponsors.

Redbanks Regency Apartments is a stellar example of Kentucky's affordable housing community working together to develop housing for very low-income seniors. Additional development funds were provided by Federal Home Loan Bank and Henderson County Health Care Corporation. "We had good cooperation from all the people working together to make this a reality, all the way from HUD to our contractor to our architect," said James Long, Board Chairman. "We feel we have a wonderful facility, and we're pleased to offer another dimension to senior housing in this community."

We congratulate Henderson County Health Care Corporation and their development team for their efforts in bringing this development to reality.



Above From Left to Right: Julie Buckman, Redbanks Staff; Brenda Fein, Congressman Whitfield's Representative; Candice Husselman, Property Mgr; Royce Sutton, Vice Pres. of Fifth Third Bank; Frank Chamberlain, Board Member; Charles Shive, Former Director of HUD; Joan Hoffman, Board Member; James Long, Board Chairman; Mayor Tom Davis; Walt Spencer, Board member; Sharon Combs, Exec. Dir of Redbanks Senior Apts.; and Phyllis Kahre, Redbanks Staff.

Right: Redbanks Regency Apartments



"We feel we have a wonderful facility, and we're pleased to offer another dimension to senior housing in this community."

-James Long, Board Chairman



James Long at Grand Opening Ceremony.

Yorktown Senior House I Celebrates the Grand Opening of Neighborhood Networks Computerized Learning Center



In March 2008, the establishment of a Neighborhood Networks Computerized Learning Center at Yorktown Senior House I in Louisville, Kentucky, in March 2008, continues Multifamily Housing's efforts to serve elderly residents. The property, a Section 202 with 100% Section 8, initially opened in 1992 with 50 units designed to meet the needs of a senior population. Recently, the ownership entity completed a refinance, which provided funds for a new roof, new air conditioning units, carpeting, and lobby furniture. An expansion to the parking area is also being planned.

The opening of the computer center will provide the residents the ability to communicate in the computerized world; a means for research and communication through the use of the Internet; a source of communication with out-of-town family and friends; and a resource for learning basic computer skills. Management staff, board members, and resident volunteers will provide training to residents who use the center. The grand opening celebration was attended by many of the residents and board members.

Spotlight on Refinancing Section 202 and 202/8 Direct Loans



Are you paying a high interest rate on a 202 or 202/8 Direct Loan? If so, you should contact the Louisville HUD office to discuss whether your property would be a candidate to refinance. Refinancing will allow you to maintain your existing rents while increasing your property's marketability because of interest savings which can be used to make much-needed repairs and improvements.



Your property could save thousands of dollars a year in interest payments by refinancing under the Section 223(f) program. This program will allow you to not only reduce your monthly payment, but it will also allow you to complete some much-needed minor repairs.

If your property has some extensive repairs that need to be completed in the near future, a loan for substantial rehabilitation under Section 221(d)(3) or 221(d)(4) could be the answer. Like the 223(f) program, you will save money by a reduction in your monthly payment. But, it will also provide funding for major rehabilitation.

Since the inception of the refinancing program in August of 2002, twenty-six properties have come through the Louisville HUD office for refinancing. Some of the more notable improvements that have been made possible thanks to the availability of additional funds have been the addition of an elevator, upgrading existing lighting and appliances with Energy Star lighting and appliances, and construction of an addition to house maintenance equipment, just to name a few.

Refinancing is a fairly simple process. For more information, read HUD Notices 2002-16 and 2004-21. In addition, the Louisville HUD office would welcome the opportunity to discuss your individual circumstances. Please contact Katherine Calloway by phone at (502) 618-8109 or email at Katherine.Calloway@HUD.gov. Or, contact Heather Hairgrove by phone at (502) 618-8147 or email at Heather.M.Hairgrove@HUD.gov.

Steve Preston Confirmed as New HUD Secretary

On June 4, 2008, the U.S. Senate confirmed Steve Preston as Secretary of the Department of Housing and Urban Development (HUD). Since July 11, 2006, Preston has served as Administrator of the U.S. Small Business Administration. Under Preston's leadership, over 100,000 borrower cases have been resolved; borrowers have been introduced to a new, more consumer-oriented loan process, and almost \$6 billion has been disbursed to those who are rebuilding their lives and businesses following Hurricane Katrina.

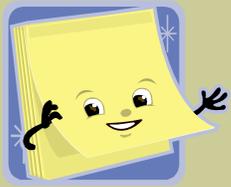


"The department requires strong leadership at a time when our housing market is experiencing a period of challenge and uncertainty," President Bush had said when he introduced Preston as his nominee. The number of foreclosures this year will likely top the 1.5 million seen in 2007, while construction and sales of new homes have dropped.

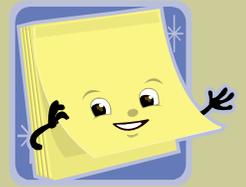
ATTENTION! HUDBlast Correction!!

Correction on Reference to HUD Form 27061-H:

The OMB Approval Number for the Race and Ethnicity Form 27061-H has an OMB approval number of 2502-0204 (Exp. 03/31/2011)



Service Coordinator Notes



The 2008 Housing Management Conference Service Coordinator Track was a huge success. We had informative speakers and interested attendees. I think everyone went home with a piece of new knowledge about service coordination. Honored as the 2008 Service Coordinator of the Year, Shawn Bingham was surprised. Shawn is the Service Coordinator at Sowders Manor Apartments in Barbourville, Kentucky. Shawn demonstrates the positive qualities of a Service Coordinator and is an active member in the Kentucky Association of Service Coordinators (KASC).

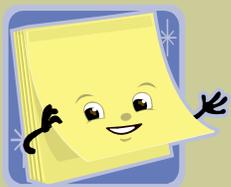
The Kentucky Association of Service Coordinators met at the conference and elected a slate of new officers. They are as follows:

- President: Debbie Cravens, Friendship House, Hopkinsville, KY
- Vice President: John Barrow, Portland Plaza, Louisville, KY
- Secretary: Deborah Phillips, Friendship House/Chapel House, Louisville, KY
- Treasurer: Nancy Hiltibrand, Panorama Apartments, Covington, KY
- Parliamentarian: Theresa Melton, Cross Creek Apartments, Madisonville, KY
- At-Large Director: Delores Ezell, Baptist Tower, Louisville, KY
- At-Large Director: Shawn Bingham, Sowders Manor Apartments, Barbourville, KY

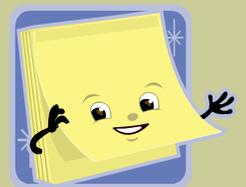
Many thanks to the past board members for building the foundation for KASC to be a formal organization that helps increase awareness about service coordination in Kentucky. The board members have dedicated many volunteer hours in making KASC what it is today.

Sarah Andino, Project Manager, is currently reviewing and analyzing the Semi-Annual Service Coordinator Reports (HUD-92456). There are some common issues that are easily corrected if Service Coordinators and their supervisors will look over the reports before submission to HUD. Issues found with the reports include:

- Missing information (i.e. service coordinator name, contact information, grant or contract number, project number, and number of units)
- The form is not entirely completed. Each section must be completed.
- Total number of residents considered frail or at-risk elderly is not meeting the 25% of the total population threshold.
- The number of educational and wellness programs are low in comparison to the hours the service coordinator works per week.
- Late reports. The semi-annual reporting periods are:
 - October 1 to March 31. Reports are due April 30.
 - April 1 to September 30. Reports are due October 30.



Accurate and complete reporting is necessary. HUD may make funding decisions based on compliance with program requirements; program performance as demonstrated in performance reports, or other indicators or explanations of both need for and effects of an SC program. The next reports are due October 30, 2008, so please make sure that they are submitted on time and complete.



Did you know the HUD model lease is available in Spanish?

You can make your property a more inclusive and caring community by downloading the HUD model lease in Spanish from the HUD website!
http://www.hud.gov/offices/hsg/mfh/gendocs/modelleases_sv.pdf

Need help locating rental housing?

Check out these resources:

KHC Rental Housing Directory
<http://www.kyhousing.org/uploadedFiles/Rental/AssistedRentalHousingReport.pdf>

HUD Subsidized Apt. Search
<http://www.hud.gov/apps/section8/index.cfm>

2008 Housing Management Conference Wrap-Up

The 2008 Housing Management Conference was held Tuesday, April 29, through Thursday, May 1, at the Galt House Hotel & Suites in Louisville and was sponsored by the Southeastern Affordable Housing Management Association (SAHMA) and Kentucky Housing Corporation (KHC). When asked about their experience this year, one conference attendee said, "In my over 20 years in this industry, [this conference] was one of the best that I have attended!"

Others wrote:

"I really enjoyed my three days here! You can never get enough learning and being here helps me to improve my skills and knowledge to do a better job to benefit others."

"The topics were insightful and the speakers were all proven professionals with a knack for speaking in an easily understandable way."

"It was all great fun."

"It was a great experience and I hope to be back next year!"

The theme of the 2008 Housing Management Conference was "Kentucky's Triple Crown" and featured two days of sessions presented by nationally known speakers from within the housing industry. This year's conference brought a total of 623 industry personnel from Kentucky, Ohio, Indiana, Illinois and Tennessee.

The conference kicked off on Tuesday with a very fitting rendition of "My Old Kentucky Home" and the "Call to the Post" by professional bugler, Angela Bartley.

The opening presentation by Kentucky's own Patricia Cooksey, who is a female jockey, was uplifting and encouraging for all. She shared her top picks for the 2008

Kentucky Derby and helped start the sessions on a positive note.

Tuesday breakout sessions included topics on breaking cultural barriers, presented by Glenn Rodriguez, Ph.D., of McKendree University, as well as drug awareness information presented by the Lexington Division of Police. A motivational presentation, "Winning the Trifecta," was given by Michael Gatton from Hurstbourne Christian Church in Louisville. Other sessions featured on Tuesday were Occupancy, Basics and Advanced, presented by Carson Hayes; Kentucky Housing Updates; Fair Housing; Service Coordinators' Mental Health 101; Maintenance—Heating and Air Conditioning; and Legal.

Wednesday sessions included full day tracks for family, elderly, maintenance and tax credit housing communities. Owner/Agents and Service Coordinators also had a full day of educational sessions.

Toni Blake was welcomed back for the family track along with Curt Hayes. The service coordinator track featured Dr. Benjamin Rigor,

M.D., L.L.D., of the University of Louisville. The maintenance track attendees were treated to an afternoon at the Louisville Slugger Museum and Bat Factory.

Thursday's closing session featured John "Wags" Wagner. John had attendees on their feet to shake off the pressures of life and reminded everyone that acceptance of who they are along with laughter can go a long way in helping to carry the burdens of everyday life. In dealing with the pressures of this industry, he reminded the audience of what a remarkable job they do and entrusted them to continue to reflect upon this each day as they help those within the housing communities.

Approximately 300 attendees experienced the exhibits and movie at the Kentucky Derby Museum and enjoyed a tour of the Churchill Downs paddock area on Tuesday evening. Wednesday's evening activities included an afternoon at the races with the annual HUD/KHC challenge. After three intense races, the photo finish determined that KHC won by a nose! Kentucky Housing took home the 2008 trophy with HUD vowing to come back ready for revenge in 2009. The evening wrapped up with attendees having the opportunity to enjoy the local Derby festivities.

This year's sponsored charitable organization was the Central Kentucky Riding for Hope (CKRH) program (www.ckrh.org).

The amount raised for CKRH totaled \$12,679! Over \$600 of this was raised through bets at the HUD/KHC challenge. Patricia Cooksey donated \$2,500 in lieu of a speaking fee. The silent auction collected \$4,269; \$1,078 came from the Derby hat contest; and over \$3,500 came from donations given by Cardinal Management Company, Franklin Asset Management Company, Kentucky Housing Corporation and many others. These generous donations will help the organization continue its programs which are designed to enrich the community by improving the quality of life and health of children and adults with special physical, cognitive, emotional and social needs through therapeutic activities with horses.

On behalf of SAHMA, Kentucky Housing and the entire conference committee, thanks to everyone who had a part in helping make the conference a huge success. A huge thank you to the 2008 Conference Committee, including conference partners at the U.S. Department of Housing and Urban Development (HUD) Louisville office.

Please visit Kentucky Housing's Web site at www.kyhousing.org for a full conference wrap-up. Information includes the 2008 award recipients, session handouts and some session photos.



2008 HOUSING MANAGEMENT CONFERENCE AWARDS

HUD/KHC Awards

- Best Curb Appeal:** Albany Manor, NDC Real Estate
- 110%:** Greater Corbin, Tanya Jackson, NDC Real Estate
- Best Newsletter:** Fair Acres, Gretchen Hallmark, Alco
- Most Improved Property:** Malabu Manor, Franklin Asset
- Manager of the Year, Elderly:** Rick McDavid, Chapel House, Christian Care
- Manager of the Year, Family:** Betty Morgan, Landmark, Franklin Asset
- Manager of the Year, Special Needs:** Sonda Weiss, Countryside Apts., Communicare
- Outstanding Management Co.:** Diversified Management
- Outstanding Property Supervisor:** Debbie Cherry, Franklin Asset
- Outstanding Elderly Property:** Friendship House, Christian Care
- Outstanding Family Property:** Jackson Manor, Franklin Asset
- Maintenance Person, Elderly:** Keith Craycroft, J.O. Blanton, Tesco
- Maintenance Person, Family:** Duane Hall, Lincoln Terrace, Alco
- Outstanding TRACS/Voucher Processing:** Cheryl Calloway, Lincolnshire Apts., Audubon Area Community
- Resident of the Year:** Cloie Berkley, Cross Creek, Diversified Management

SAHMA Awards

- Drug Free Contest Winners**
- Grades 4 to 6: Gavin Lawless, Jamestown Manor, Winterwood, Inc.
- Grades 7 to 9: Christian Randolph, Lincoln Terrace Apartments, Alco Management
- Grand Prize Winner and Grades 10 to 12: Christopher Lawless, Jamestown Manor, Winterwood, Inc.

Communities Of Quality

- California Square I, Louisville, AIMCO
- California Square II, Louisville, AIMCO
- Madisonville Apartments, Madisonville, AIMCO
- Portland Plaza Apartments, Louisville, AIMCO
- The Bedford House, Falmouth, AIMCO
- Wilderness Trail Manor, Pineville, AIMCO

HUD Awards

- 100% REAC Properties**
- Hillview Terrace – Greensburg
- Village Square – Lancaster
- Henderson Group Home – Henderson
- Independent Living II – Beaver Dam
- Rolling Acres – Tompkinsville
- Judes Place – Fairdale
- Cedar Lake, Cherrywood – LaGrange
- Albany Manor – Albany
- Central Christian Church – Lexington
- Campton Methodist Housing – Campton
- Double 100% REAC Properties**
- Baxter Avenue – Louisville
- Garden Grace – Owensboro
- Triple 100% REAC Properties**
- Sisson Manor Apts. – Owensboro
- Quadruple 100% REAC Properties**
- Nazareth Village - Nazareth
- Best New Project:** Cedar Lake, Keeling, Cedar Lake Residences
- Best PRAC 202:** Marion Centennial, Franklin Asset
- Best PRAC 811:** Sterling Oaks, Pathways
- Best Risk Sharing:** Tammy Terrace, Homeland
- Service Coordinator of the Year:** Shawn Bingham, Sowders Manor, KCEOC
- Kentucky Affordable Housing Hall of Fame:** Carol Worsham, Winterwood, Inc.

Derby Hat Contest Winners

- Win – Tammy Thomas, Winterwood, Inc.
- Place – Jan Howard, Fairington of Lexington
- Show – Tim Kutz, Gene Glick Co.

***Mark Your Calendars for the 2009
Housing Management Conference,
May 19-21 at the Galt House,
in Louisville!***

In Memoriam

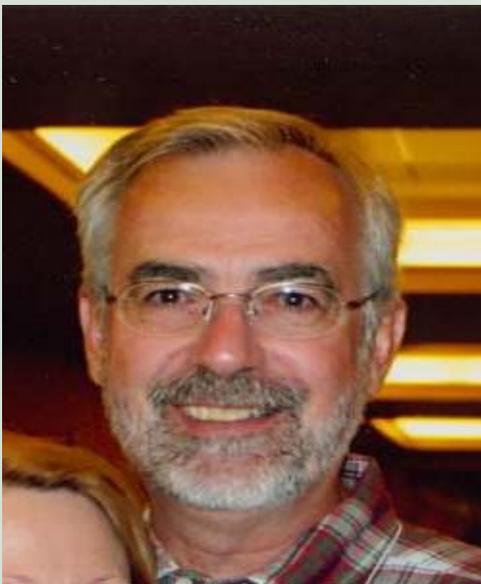
The Louisville Multifamily Program Center staff will greatly miss our former associates and co-workers who have passed on this year.



Edsil Johnson
The Cain Center
1944 — 2008



Judith Kersey
Retired Project Manager, HUD
1947 — 2008



Roy Pack
Beacon Properties and
Retired Project Manager, HUD
1948 — 2008



Dominic Schuler
Retired Director of Housing, HUD
1920 — 2008

Haven't been receiving our newsletters?

You can now view any of the Kentucky Housing Partner newsletters on-line at:

<http://www.hud.gov/local/ky/news/hsgpartners.cfm>

Service Coordinator Funding NEWSFLASH

HUD recently released a Notice (H-08-02) announcing the procedures for extending FY 2008 grants under the Service Coordinator and Congregate Housing Services Program (CHSP). The notice details the process for extending existing service coordinator and CHSP grants that will end on or before December 31, 2008. The notice can be found at <http://www.hud.gov/offices/adm/hudclips/notices/hsg/>.

The big change this year is in funding. This year's funding is not sufficient to fund any new grants. Funding is only available to current grant recipients. In recent years, recipients were allowed an increase of 3%. This year grants are being funded at 97% of the 2007 grant amount.

Please remember that requests for additional funds are due 120 days prior to fund expiration. Failure to submit requests by this deadline may result in funds not being available when needed. The requests must be submitted no later than August 15, 2008 for those grants expiring by December 31, 2008. If you have any questions about the Service Coordinator Program, please contact Donna Dudgeon at 502-618-8117.

Reacting to REAC —EH&S

Recently, the Kentucky Housing Corporation has partnered with HUD to assume greater responsibility in managing Annual Contribution Contracts (ACC). With the assumption of the ACC contracts, KHC will provide coverage such as MORs and REAC physical inspection follow-ups previously performed by HUD staff. The goal of awarding the contract is, as always, consistent coverage and monitoring of Kentucky's outstanding properties. For the properties that are part of the contract, a greater portion of the reporting and updates will go from individual properties directly to KHC, instead of information being funneled to your HUD project manager. Below is an outline of some of the responsibilities performed by KHC and the HUD PM.

Task(s) Performed	PBCA KHC responsibility	HUD Project Manager Responsibility
REAC- Life Threatening EH&S	Receive REAC Inspection or Tenant Complaint	Verify Dates in REMS
	Notify Owner of Issue within 1 Hour	
	Verify Corrections Made	
	Obtain Owner's Plan to correct/cure deficiency	
	Monitor Closeout/ Confirm Correction with HUD PM	
	Post Dated items corrected in REMS	
REAC-Non Life Threatening EH&S	Notify Owner within 2 Business Days	Verify dates in REMS
	Follow up Post dates in REMS	

With this in mind, understand that HUD and the Kentucky Housing Corporation are under time constraints when calls are made to address EH&S issues. Therefore, prompt and appropriate action is necessary to ensure timely and accurate reporting.

Getting the Lead Out

Last year, the Big Buy program ended, however, the reporting requirements remained. With that being said, we would like to remind everyone the steps that should be taken to get in compliance with the Lead Safe Housing Rule (LSHR), or remain in compliance if the property has submitted the appropriate reports.

Currently, there are two groups of projects for which the certification is required to be filed with HUD. Before going any further, there are several questions that must be answered to determine what needs to be done:

- Was the property built after January 1, 1978?
- Is the property exclusively dedicated to housing elderly tenants (age 62 or older, with no dependents under 6 years old)?
- Is the property dedicated for housing the disabled?
- Is this a zero- bedroom unit or property (Single Room Occupancy-SRO, or efficiency)?
- Has a paint inspection been conducted to establish that the property is lead-based paint free?
- Has all lead-based paint been identified and removed, with a qualified lead clearance examiner report that the property passed the clearance exam.

If you are able to answer **YES** to all the questions above, you are in compliance with the LSHR.

If you are able to answer **NO** to any question, follow the guidance below to determine under which group the property is categorized.

GROUP I (Greater than \$5,000 per unit per annum subsidy)

If you own or manage a property built before January 1, 1978 receiving project-based rental assistance averaging more than \$5,000 per unit each year, you should have a certified lead based paint inspector (listed at <http://chfs.ky.gov/dph/lead/>) conduct an inspection and certify in writing either:

- A lead-based paint inspection that will document your certification that no lead-based paint is present on the property; or
- A risk assessment to identify lead-based paint hazards on the property.

In cases where lead-based paint hazards are found, the owner is required to notify the tenants of the hazards within 15 calendar days of the date the owner receives the reports. Interim control of identified hazards must be completed per the following guidelines:



- If there are children under 6 years old residing at the property, the owner has 90 days after receipt of the risk assessment report to complete all hazard control work in all such units and common areas that service the unit(s); and
- The owner has one year after receipt of the risk assessment report documenting lead hazards to complete all hazard control work.

In addition to the above:

- Clearance testing must be performed to document completion of all hazard control work;
- Lead-based paint maintenance activities must be incorporated into the regular building operations plan;
- A reevaluation of lead-based paint hazards must be conducted every two years; and
- The owner must provide the tenants with all known information concerning lead-based paint and lead-based paint hazards on the property, and the results of clearance testing.

Continued on page 11

Continued from page 1

Mr. HUD is sorry to have missed the speaker early on Thursday morning, since he had a golf date with Michael Jordan that morning. He and Michael spent Wednesday evening trying out motorcycles and scouting out the best golf courses. Michael of course wanted to play Valhalla, even though they always play that one.

He was able to get back in time to see the awards presentations and was happy to see his special friend, Carol Worsham, inducted into the Kentucky Affordable Housing Hall of Fame. Carol and her company have played a vital role in providing affordable housing to the

commonwealth. Mr. HUD was also pleased to see Sister Ann Boone accept an award for the fourth consecutive 100 REAC score for Nazareth Village. When David Williams hinted that Sister Ann may have a special connection to a higher authority than REAC, Sister acknowledged appealing to that higher authority on a regular basis, but said she relied on a strong and dedicated staff to keep the property in good shape and gave them the credit for the REAC scores.

Mr. HUD wishes everyone a good year and looks forward to seeing them at next year's conference.

ATTENTION!

Kari McRae is now officially Kari LaLonde. Her email address has changed to Kari.L.LaLonde@HUD.gov.

ATTENTION!

The 2008 Statutory Loan Limits for FHA Multi-family Housing Programs for Kentucky are now available on our HUD website at <http://www.hud.gov/local/ky/working/mf/index.cfm>.

Energy Savings Updates

Key benefits received when Energy Star qualified products are used:

- 25 to 50% less energy used
- Reduced energy costs without compromising quality or performance
- Reduced air pollution
- Significant return on investment
- Extended product life and decreased maintenance

What makes a product Energy Star?

Energy Star products are the same or better than standard products only they use less energy. To earn the Energy Star, they must meet strict energy efficiency criteria set by the EPA or the DOE. Since they use less energy, these products save you money on your electricity bill and help protect the environment by causing fewer harmful emissions from power plants. And you get the features and quality you expect.

Some examples:

- Qualified refrigerators are at least 15% more efficient than the minimum federal efficiency standard.
- Qualified TVs consume 3 watts or less when switched off, compared to a standard TV, which consumes almost 6 watts on average.
- Office equipment that qualifies automatically enters a low-power “sleep” mode after a period of inactivity.
- Qualified light bulbs (CFLs) use two-thirds less energy than a standard incandescent bulb and must meet additional operating and reliability guidelines.

- Qualified furnaces offer a rating of 90% AFUE or greater, which is about 15% more efficient than the minimum federal efficiency standard.

HUD reported an estimated \$33 million in documented energy savings in its 2007 Performance and Accountability Report, in four program areas. A total of 1,118 FHA-insured single family Energy Efficient Mortgages (EEMs) were reported, for an estimated savings of \$390,000; a total of 4,168 units of HOME-funded new construction projects were reported as having achieved the Energy Star label for new homes for an estimated savings of \$1.2 million; a total of 125 units of CDBG-funded projects were reported as having achieved the Energy Star label for an estimated savings of \$36,875; and a total of 32 new energy performance contracts in public housing were reported in 2007, involving a capital investment of \$141.3 million and an estimated annual savings of \$32.2 million.

The increase in energy performance contracts in public housing is especially encouraging, representing a significant increase over previous years and reflecting growing interest on the part of public housing authorities in energy efficiency. The \$33 million figure is only a fraction of the total amount saved throughout HUD’s portfolio of public and assisted housing. For HUD’s 2007 Performance and Accountability Report, see Section B1.9 at www.hud.gov/offices/cfo/reports/2007par.cfm.



As the Louisville, Kentucky HUD Office Coordinator of the Atlanta Regional Energy Task Force, Wood McGraw will be passing on to you important information about how you can play a vital role in saving energy. If you have any questions, please contact Mr. McGraw at: (502) 618-8134. You may also reach Wood at his e-mail address via the Internet at: Wood.W.McGraw@hud.gov.

How to Declare Units Off-line for a REAC Physical Inspection

At an owner’s request, our office may for good cause and after consulting with the Director of Business Relationships and Special Initiatives Division, declare certain buildings or dwelling units as off-line prior to a REAC Physical Inspection. Off-line units or buildings will not be inspected by the REAC inspector; however, the inspector will visually verify that it is off-line. Reasons to be declared off-line are:

- Recent fire/water damage
- Undergoing approved rehabilitation
- Police restricted area
- Other Hazard

Please note that units undergoing routine turnover work should not be declared off-line. If a unit selected for inspection is vacant and undergoing repairs due to routine turnaround, the inspector will verify that the unit is vacant and uninspectable and select an alternate unit for inspection. However, if a property’s vacancy rate is 15% or higher the inspector must inspect units that are undergoing routine turnaround. This is not the case for units designated off-line.

You may e-mail a request to declare buildings or units off-line to your HUD project manager. Information needed to process is as follows:

- The total number of buildings and/or units at the property;
- Why the buildings and/or units should be taken off-line;
- Identify which buildings and/or units should be taken off-line;
- How long each building or unit has been off-line; and
- A time-frame for when each unit or building will be back on-line.

Your project manager will send a letter to you identifying which units or buildings may be taken off-line. You will then provide the inspector with the letter on the day of the inspection before he/she verifies the building information and generates the inspection sample. If a building or unit is selected for inspection, the inspector will visually verify that it is off-line and select an alternate. However, an inspector should record any health and safety hazards that an off-line building or unit poses to other residents.

Please note that declaring a building or unit off-line is a temporary measure that may only be considered for a single, pending inspection.

If you would like to learn more about the REAC physical inspection process, go to <http://www.hud.gov/offices/react/products/prodpass.cfm>.

AFS/FASS News and Helpful Hints

- As of November 1, 2007, Secure Systems implemented a policy that will deactivate all user IDs that are inactive for 90 days. This may cause problems for owners who do not use secure systems a lot or perhaps only use the system once a year to submit annual financial statements to FASS. In the event of a user ID or password issue, the REAC Technical Assistance Center can be reached at 1-888-245-4860. Please have your ID number, TIN number, error message, and any other specific information available to share.
- Please note that as of December 9, 2007, multiple logins to Secure Systems will no longer be allowed. If you are logged into FASSUB and attempt to login using the same user ID on another computer, the first login session will be terminated.
- In a memorandum dated January 11, 2008, the Office of Asset Management stated that for the December 31, 2007 fiscal year, lessee financial statements for leased nursing homes would not be required to be submitted electronically due to technical problems. A hard copy must be submitted to the Multifamily Program Center and lessors must still continue to submit financial statements electronically.
- Accounting guidance for Mark-to-Market projects is now easier to use. The Office of Assisted Housing Preservation has developed an interactive Excel Spreadsheet that summarizes guidance specific to M2M and Demonstration projects. Please visit <http://www.hud.gov/offices/hsg/omhar/mhrowner.cfm> for more information.

TV Converter Box Coupon Program

Did you know that on midnight of February 17, 2009, all full-power television stations will only broadcast in digital? What this means is that all televisions receiving over-the-air (analog) will be obsolete. Consumers using “rabbit ears” or rooftop antenna must take action immediately to not receive a disruption in television service. This change will bring a clearer picture, more programs, and free up airwaves to be used by emergency responders.

Groups that are disproportionately more reliant on these analog signals are seniors, the economically disadvantaged, rural residents, minorities, and people with disabilities. Television is more than entertainment to some. For those that are homebound, television provides a social network. For those that are immigrants, television provides a way to learn English. In case of weather emergencies,

television provides important safety information.

The TV Converter Box Coupon Program allows for the aforementioned groups to still be able to use analog televisions. This Program allows for two coupons, each worth \$40, to be applied towards the purchase of eligible TV converter boxes. To receive these coupons, consumers must submit an application by mail, phone, fax, or online via the website www.DTV2009.gov. The application is short and can be found by clicking on option number 3, “Apply for a Coupon.” You can also click on the “Download App” icon on the right for additional information regarding ways other than the internet to submit an application. All coupons will be mailed in the order in which the application was received. So, please alert tenants of this Program promptly.

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GROUP II (Equal to or less than \$5,000 per unit per annum subsidy)

If you own or manage a property built before January 1, 1978 receiving project-based rental assistance averaging \$5,000 or less per unit each year, you should have a visual assessment (listed at http://www.hud.gov/offices/lead/training/training_curricula.cfm) to identify all surfaces with deteriorated paint. Wherever such conditions or surfaces are found:

- All such surfaces must undergo paint stabilization and clearance testing (unless all deteriorated paint was tested and found not to be lead-based); and
- The owner must incorporate lead hazards control plan (LHCP) activities into the regular building operations plan; and
- The owner must provide the tenants with all known information concerning lead-based paint and lead-based paint hazards on the property, and the result of

clearance testing within 15 calendar days from the date the owner receives the report.

Your property is deemed compliant upon the HUD Project Manager’s receipt of either of the following:

- A report from a certified lead-based paint assessor stating no LBP or hazards were found.
- An Owner’s Certification of Compliance with lead-based paint rule on file.
- A Lead Hazards Control Plan (LHCP) for properties with lead dust or lead-based paint hazards.

If there are questions please contact your HUD project manager, or Milton Suggs at 502-582-6163, ext 213 or via email at Milton.Suggs@hud.gov.

Good-night, Sleep Tight, Don't Let the Bed Bugs Bite

Most of us have never put much stock into this saying that originated as a variation of a child's nursery rhyme. Infestations of bed bugs were prominent before World War II. But, with better hygiene habits and the use of DDT, these small, flat, brown bugs that have been around since ancient times had practically disappeared from the U.S. However, they did not disappear overseas and the increase in travel and immigration coupled with less effective bug pesticides being used have allowed bed bugs to make a come back. Bed bug infestations can become a problem in any dwelling and without proper treatment they can spread rapidly. That is why it is extremely important to know the signs of bed bugs and act quickly to treat the problem.

Facts That May Bug You:



1. While bed bugs cannot fly, they can move quickly across most surfaces.
2. Female bed bugs lay up to 5 eggs a day. Eggs are small, white, and about the size of a spec of dust.
3. Newly hatched nymphs must feed and molt 5 times before reaching maturity.
4. Nymphs can survive for months without feeding and adult bed bugs can survive for more than a year.
5. Bed bugs are most active at night and hide closely to where people sleep during the day.



Signs That There May Be an Infestation:

1. Dark spotting and staining on mattresses, box springs, bed frames, and headboards. (Bed bugs will spread throughout a room and find other hiding places such as baseboards or crevices. This means that they can also travel to adjacent apartments).
2. Reddish spots of blood on bed sheets.
3. A musty smell. (Not as common of a warning sign).

Bites from bed bugs do not pose any serious disease threat. While their bodies do contain pathogens it is unlikely that they are ever passed to humans. However, bed bugs are still a serious matter and need to be prevented and taken care of upon infestation because bites may cause loss of sleep, embarrassment, and anxiety. Bed bugs and their eggs can effectively travel on luggage and second hand furniture so caution should be taken when traveling and receiving furniture. Because bed bugs can live over a year without feeding, storing furniture before use is not an effective means of preventing or getting rid of an infestation.

Once an infestation occurs, it is challenging to get under control. Remember that bed bugs will hide in any crevice, and they can travel from their place of origin to other apartment units and rooms. Action must be taken immediately to inspect infested units and surrounding units. Hiring a professional with specific knowledge of bed bugs is a must as well as treating rooms above, below, to the sides, and diagonals of the originally infested unit. Owners and occupants have several pre-treatment responsibilities to aid in the treatment of an infestation. Removing clutter where bed bugs can hide, heating garments and bedding to at least 120 degrees Fahrenheit, vacuuming, and steam cleaning may also help. While there are ways to treat mattresses including pesticide treatment and plastic incasing, professionals recommend that beds be disposed of, especially in severe cases.

The keys to dealing with bed bug infestations are to know the preventative measures, know the signs of infestations, and act quickly and effectively in the event of infestations.

*Information for this article was found in "Bed Bugs" by Michael F. Potter, Urban Entomologist.

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