

HUD Region V Cares



Region V 2020 Annual Report



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Letter from Regional Administrator Joseph P. Galvan



The year 2020 has proven to be truly unprecedented as we confronted and learned to adjust to the COVID-19 pandemic. During these challenging times, HUD Region V was nimble as we adapted to a new work environment in an effort to keep everyone safe while upholding our commitment to serve those residing in our six-state region.

Since March, HUD moved swiftly to provide much needed relief to the American people through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and continued to fulfill HUD Secretary Ben Carson's priorities which include:

- Supporting Fair, Sustainable Homeownership, and Financial Viability
- Ending Homelessness as we Know it
- Removing Lead-Based Paint Hazards and other Health Risks from Homes
- Enhancing Rental Assistance
- Reducing Barriers to Affordable Housing
- Developing EnVision Centers
- Supporting Effectiveness and Accountability in Long-Term Disaster Recovery
- Promoting Section 3
- Bolstering Growth in Opportunity Zones

The Office of Field Policy and Management's primary role is to develop relationships in communities to ensure the success of White House and Secretarial priorities. The 2020 annual report highlights accomplishments from both our field and programmatic offices and the depth and breadth of our shared milestones. With more than \$8.3 billion in grants and numerous other HUD investments across our six-state region, the Department has clearly demonstrated its ongoing commitment to improving the quality of life for the individuals we serve.

I am extremely proud of our ongoing dedication and joint efforts as we work collaboratively to meet the challenging needs of those we serve. I'd like to thank Deputy Regional Administrator Jim Cunningham and my staff for their talent and steadfast commitment to public service. We look forward to collectively furthering our work with our partners to empower the most vulnerable among us and uplift communities across our region.

Sincerely,

Joseph P. Galvan
HUD Midwest Regional Administrator

Letter from Deputy Regional Administrator James A. Cunningham



Thank you for taking the time to read the Region V 2020 HUD Annual Report. The report reflects the hard work and dedication of all the HUD employees in Region V who have adapted to working remotely and continuing to serve the American public in our six states of Illinois, Indiana, Michigan, Minnesota, Ohio and Wisconsin. As mentioned in the report, HUD invested over \$8.3 billion dollars to help the 52.5 million residents that call Region V home.

Fiscal Year 2020 has been a unique and challenging time, but nevertheless a productive year. HUD staff across the country rose to the challenge of working from home while continuing to administer not only the Department's core programs but also implementing and distributing pandemic relief funds authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Our IT staff provided us the tools to work remotely and continued to improve TEAMS and other virtual environments that allowed us to collaborate both internally with colleagues and externally with our partners.

In 2020, the Office of Field Policy and Management (FPM) continued to focus on Secretarial initiatives for the Department, several of which are highlighted throughout the report. Under the leadership of our Regional Administrator, Joseph P. Galvan, our efforts demonstrate Region V's commitment to improving housing and economic conditions for all segments of society. FPM continued to advance the EnVision Center demonstration program by adding nine new sites, for a total of sixteen in the Region. Our team worked with Federal partners and local agencies to add programming to help low-income residents work towards self-sufficiency.

The Region V team continues to promote job opportunities through partnerships with our public housing and community planning and development partners on Section 3. We look forward to furthering this work as HUD implements the new Section 3 rule with new roles and responsibilities for our team. We also continue to work on ending homelessness through tireless efforts to help communities provide permanent housing with the goal that any episode of homelessness is brief, rare and non-recurring. We worked with state and local governments to protect children from lead hazards by promoting the Lead Hazard Reduction Demonstration grant program resulting in more than \$36 million awarded to ten grantees in Region V.

I also want to thank everyone for their efforts to serve people who rely on HUD programs to meet their basic need for shelter. The FPM team in Region V served 17,000 customers as recorded in FPM's Customer Relations Management system. I again want to recognize our Customer Service superstar, Rodney Flippen, who personally answered 5,463 customer service calls in FY 2020.

I am proud of our Region V team. We continue to strive for excellence even in the face of adversity. I believe this report allows you to see the difference we all collectively make as HUD employees, whether we are in Headquarters or in the field, working in the office or remotely. Together, we can continue to provide HUD programs and services to those most in need in our great nation!

With much appreciation,



Jim Cunningham
Deputy Regional Administrator

Departmental Priorities

Customer Service

HUD's work revolves around serving the American people and that could not be more evident than in 2020. While communities across the country suffered from outbreaks of COVID-19, employees at HUD worked hard to assist the growing number of citizens in need of decent, safe and affordable housing. Like much of the country, the Office of Field Policy and Management (FPM) transitioned from taking customer service inquiries from the office to assisting people while working from home. As the situation across the country became worse, HUD staff anticipated the housing concerns many people would begin facing. Eviction and homelessness were at the top of mind for many. FPM staff in Region V worked to identify federal and local resources to have ready in response to citizens.

Rodney Flippen, a veteran HUD employee, continued to play a crucial role in assisting those who called and emailed in need. Rodney's broad knowledge of HUD programs and staff, ability to listen and communicate with customers with compassion and empathy, and determination to help customers quickly, were critical in 2020. All FPM staff in varying capacities tried hard to meet the urgent needs of citizens or direct them to the appropriate program office throughout HUD. **In FY20, Region V responded to 17,041 customer services inquiries by e-mail, phone and mail.**

Section 3

What is Section 3?

Section 3 requires that recipients of certain HUD financial assistance, to the greatest extent possible, **provide training, employment, contracting and other economic opportunities to low- and very low-income persons**, especially to recipients of government assistance for housing and to businesses that provide economic opportunities to low- and very low-income persons.

The Office of Field Policy and Management and the Office of Fair Housing and Equal Opportunity coordinated outreach (raising awareness about Section 3 requirements and bringing communities into compliance), signed up Section 3 Residents and businesses for the Business Registry and Opportunity Portal, and strategized with public housing authorities (PHAs) on how to maximize Section 3 hires.

The offices also patiently awaited the new rule, which was finalized at the beginning of fiscal year 2021. In anticipation of the new rule, Stacy Sias, from the Office of Fair Housing and Equal Opportunity, helped prepare FPM to take the lead on the program by providing tutorials on the Section 3 Performance Evaluation and Registry System (SPEARS) and sharing commonly asked questions and concerns from recipients.

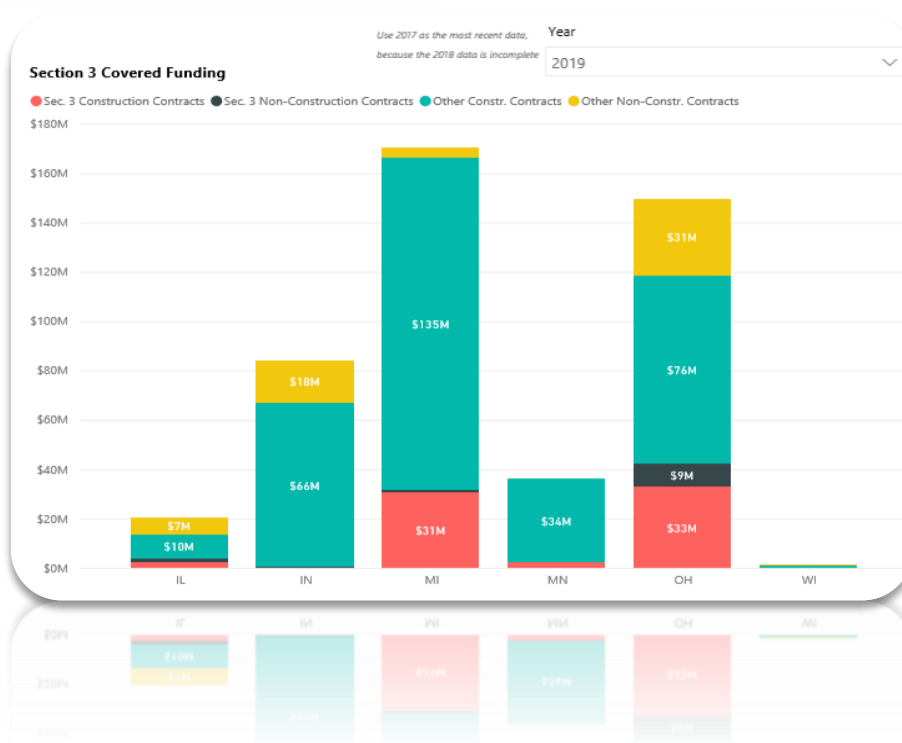
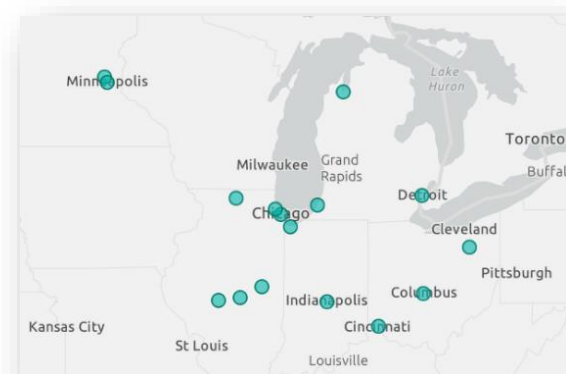
Section 3 Businesses	
STATE	Count of BUSINESSNAME
IL	413
IN	82
MI	187
MN	118
OH	134
Total	1011

Source: FHEO Section 3 Business Registry

At the 2020 HUD Partner Forum hosted by the Chicago Office, the Chicago Section 3 team gave several presentations over two days to housing authorities, local governments, and continuums of care (CoCs). In addition to covering Section 3 basics, Stacy Sias provided technical assistance during designated office hours to anyone who requested it and/or was underreporting.

Section 3 Onsite Outreach:

Illinois	Indiana	Michigan	Minnesota	Ohio	Wisconsin
Springfield Decatur Rockford Champaign Waukegan Chicago	Gary Indianapolis	City of Niles Benton Harbor Detroit Traverse City	Minneapolis Brooklyn Park	Akron Cincinnati Columbus	Milwaukee

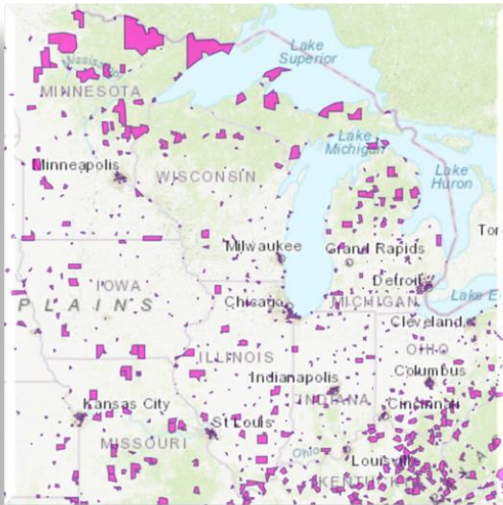


Opportunity Zones

What are Opportunity Zones?

"The 2017 Tax Cuts and Jobs Act (Pub. L. 115-97) created new tax incentives for investments made in Opportunity Zones to spur economic development and job creation by encouraging long-term investment in low-income communities nationwide. Opportunity Zones are designated census tracts that provide incentives for long-term private sector investment in economically distressed communities. The program offers capital gains tax relief to those who invest in these targeted areas. This program is anticipated to spur approximately \$100 billion of private capital investment in Opportunity Zones. There are more than 8,700 census tracts designated as Opportunity Zones in all 50 States and in the U.S. territories.

Opportunity Zones in Region V



- Illinois: 327
- Indiana: 156
- Michigan: 288
- Minnesota: 128
- Ohio: 320
- Wisconsin: 120

Total Opportunity Zones in Region V: 1,339

Total Opportunity Zones in US: 8,764

Opportunity Zones in the News

New Incentive for Purchase of Rehabilitation of Single Family Properties in Opportunity Zones –

In November 2019, HUD announced the Federal Housing Administration (FHA) will offer a new incentive for new homebuyers and homeowners in Opportunity Zones. They are now able to use the Limited 203(k) program to finance rehabilitation costs of to \$50,000 into the total mortgage amount. "Providing this opportunity means that the families seeking affordable homeownership or to improve their homes in distressed neighborhoods—where rehabilitation is needed the most—have a path to financing that makes it realistic to do the repairs and improvements that will uplift entire communities." said Secretary Ben Carson. - [Press Release](#)



Secretary Carson Hosts Affordable Housing Roundtable in Wisconsin Opportunity Zone –

Secretary Carson hosted an affordable housing roundtable in September with U.S. Representative Mike Gallagher “to discuss innovative solutions to increasing the supply of affordable housing and the role of public-private partnerships in addressing affordable housing challenges”. Secretary Carson, Representative Gallagher, and Midwest Regional Administrator Joseph Galvan toured the Broadway Lofts Apartments, located in an Opportunity Zone in Green Bay, Wisconsin. – [Press Release](#)

Lead Hazard Control and Healthy Homes

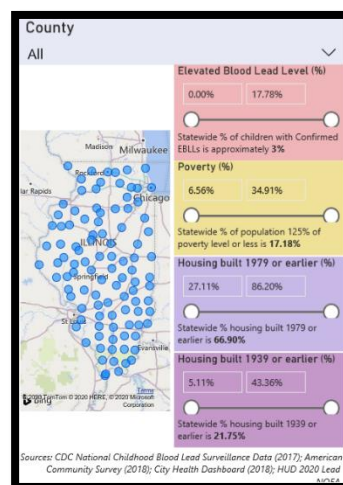
In fiscal year 2020, FPM conducted outreach in anticipation of the 2020 Lead Hazard Reduction Grant Program notice of funding availability (NOFA) of \$275 million. The NOFA opened on July 22, 2020, and closed on August 24, 2020. Illinois hosted an informational webinar to discuss the application requirements and answer questions.

Program Analyst Samuel Mendelson of the Chicago office created a Power Bi dashboard to identify Illinois counties with characteristics to help identify where there are higher rates of lead. Some of those characteristics include elevated blood level particularly in children, rates of poverty and age of housing stock.

Region V Lead Funding (*Lead Hazard Control and Healthy Homes Amount Combined*)

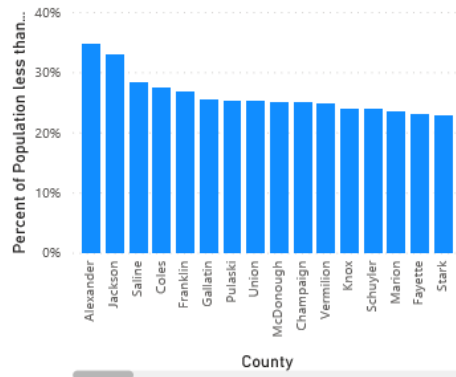
- **Illinois** (City of Bloomington): \$2,342,691
- **Michigan** (City of Lansing and City of Battle Creek): \$7,989,940
- **Minnesota** (City of Minneapolis): \$5,700,000
- **Ohio** (County of Hamilton, City of Cincinnati, City of Toledo, City of Lancaster): \$12,600,000
- **Wisconsin** (Kenosha County and Wisconsin Department of Health Services): \$7,800,000

Region V received a total of \$36,432,631 in Lead Based Paint Hazard Reduction Grants and Healthy Homes Supplemental funding!



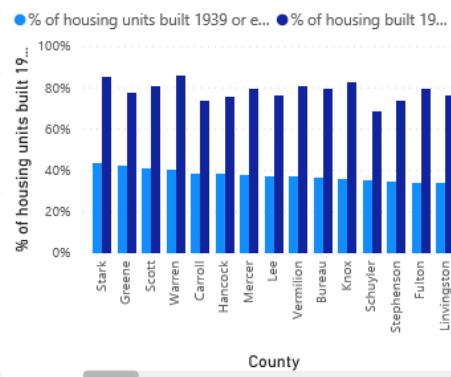
Poverty and Age of Housing (2018)

Percent of Population less than 125% poverty level by County



Statewide % of population 125% of poverty level or less is **17.18%**

% of housing units built 1939 or earlier and % of housing built 1979 or earlier by County



Statewide % housing units build pre-1939 is **21.75%** and pre-1979 is **66.90%**

EnVision Centers



Secretary Carson's signature EnVision Center demonstration offers HUD-assisted and other low-income families access to support services that can help them achieve self-sufficiency, thereby making scarce federal resources more readily available to a greater number of households currently.

- Envision Centers are in 26 states plus DC and Puerto Rico
- There are 53 designated Envision Centers across the country (at the end of fiscal year 2020)
- Region V has Envision Centers in 4 of its 6 states
- Region V has 12 Envision Centers in total (the second most in the country!)

In FY2020, Region V designated 7 new Envision Centers!

- ✓ Gary Envision Center
- ✓ Spring Hill Envision Center
- ✓ Winton Terrace
- ✓ Findlater Gardens
- ✓ Resident Initiatives for Success and Empowerment (RISE)
- ✓ Pathway Inc.
- ✓ Grand Rapids Housing Commission

Across the country, there were 38 new designations in FY2020.

Regional Administrator Galvan Cuts the Ribbon at Columbus Envision Center

HUD Midwest Regional Administrator, Joseph Galvan, traveled to Columbus, Ohio in January to designate the Resident Initiatives for Success and Empowerment (RISE) Center, 1407 Cleveland Ave., as part of HUD Secretary Ben Carson's signature EnVision Center initiative.

"Housing assistance should be more than just putting a roof over someone's head," said Secretary Caron. "These EnVision Centers offer a more holistic housing approach by connection HUD-assisted families with the tools they need to become self-sufficient and to flourish."

"If we succeed in helping more families become self-sufficient, more families will be able to access the housing assistance they so desperately need," said HUD Regional Administrator Joseph P. Galvan. "The

EnVision Centers are our way of bringing hope, opportunity and a springboard to long-term success for thousands of families across the nation.”



Jeffersonville Housing Authority's Resident Retention Program Helps with Past Due Rent

The Jeffersonville Housing Authority (JHA) stepped up to help residents who may have lost jobs or experienced reduced work hours during the coronavirus pandemic. The housing authority is assisting residents in partnership with the United Way, who awarded \$48,000 to launch the Resident Retention Program. This alleviates the burden of past-due rent with a one-time payment for families with balances as of May 27, 2020. “It is important to JHA staff and board members to assist our residents by connecting them to the right resources during this difficult time. With the assistance of our local partner, the United Way, we can bring these resources directly to them. This will help our residents maintain their housing and avoid homelessness,” said Darnell Jackson, Jeffersonville Housing Authority Executive Director.



In a typical month, JHA collects approximately 95% of rents owed. As of May, rental payments to JHA dropped by almost 30% and have continued to fall. While JHA would typically arrange a repayment agreement, for many families there is currently no or limited household income available to repay past-due balances. The Resident Retention Program will assist residents in maintaining their housing. Additionally, the Spring Hill EnVision Center is providing financial management workshops, and all Resident Retention Program participants are encouraged to participate.

Gary Housing Authority's EnVision Center Provides Food Relief in June

The Gary Housing Authority's EnVision Center in Indiana and FAITH Community Development Center teamed up to spearhead the COVID-19 Food Relief Initiative thanks to a U.S. Department of Agriculture program. The drive-up giveaway kicked off June 4 and continued each Thursday of the month. Gary residents were invited to drive up and have a 50-lb. box of meat, dairy and produce items loaded into their trunks while supplies lasted. The drive-up giveaway was open to the general public.

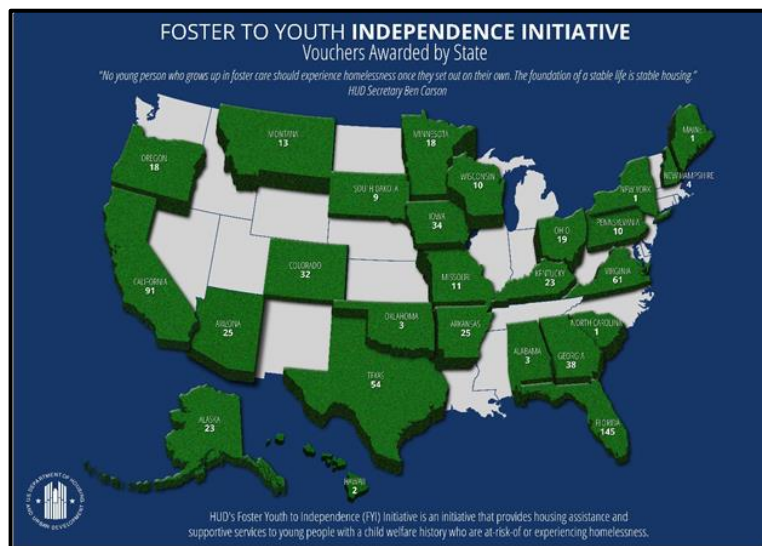
“Challenges already existed in our community, and the coronavirus pandemic just created more hurdles,” said Julian Marsh, Executive Director of the Gary Housing Authority. “We are committed to identifying resources and making them available to Gary residents on a more far reaching and consistent basis.”



A separate delivery program was also coordinated for the city’s senior citizens who were unable to travel to the distribution site. Drop-offs were made to their doorsteps by community volunteers and social distancing was enforced.

Photo: The Gary Housing Authority with distribute food boxes to its residents

Foster Youth to Independence (FYI)



The Foster Youth to Independence (FYI) targets housing assistance to young people under the age of 25 who are aging out of foster care and are at extreme risk of experiencing homelessness.

As of August 2020, 26 of the 50 states have been awarded FYI vouchers. In Region V, Minnesota, Wisconsin, and Ohio all have FYI vouchers—47 vouchers between the three states. The Peoria Housing Authority is expected to be the first Illinois housing authority to be awarded FYI vouchers. As of

September 2020, the MOU was signed by all parties.

Region V FYI Roundtables



Senior Advisor Rosa Ailabouni coordinated a virtual FYI Roundtable in Region V states.

Pacific Regional Administrator Christopher Patterson and

U.S. Department of Health and Human Services Commissioner Elizabeth Darling joined Midwest Regional Administrator Joseph Galvan as presenters at all sessions that collectively reached nearly 1,000 individuals at child welfare agencies, public housing authorities, continuums of care, non-profits and others in each state in the region.

The roundtables covered the housing challenges foster youth often face, a detailed overview of the Family Unification Program (FUP) and Foster Youth to Independence initiative, the FYI referral and voucher distribution process, support services for the youth, partner responsibilities and administering the vouchers. Additionally, each roundtable had the privilege of hearing from foster youth in their state who benefited from a housing voucher. The roundtable gave participants the opportunity to ask questions directly to HUD and state child welfare agency staff and share their experience with the program. By the end of the FYI Roundtable series, Region V reached almost 1,000 participants!

FY2020 FYI Vouchers

Funds awarded in fiscal year 2020 to housing authorities in Region V to assist young people aging out of foster care: **\$92,351**

Ending Homelessness through HUD-Veterans Affairs Supportive Housing (HUD-VASH)

HUD-Veteran Affairs Supportive Housing (HUD-VASH) vouchers are a component of the Housing Choice Voucher program and combine rental assistance from HUD with case management and clinical services provided by Veterans Affairs to enable homeless veterans to obtain affordable, decent housing in the private market. Region V conducted calls to organizations as part of localized housing “blitzes” to more effectively move homeless veterans to a leased-up HUD-VASH voucher list, thereby reducing veterans’ homelessness and increasing HUD-VASH utilization. A secondary aspect of the calls was

identifying areas of concern, such as lack of participating landlords or moving graduating veterans no longer needing supportive services to standard tenant-based vouchers.

In December 2019, HUD and VA announced **\$29.3 million to 216 public housing authorities nationwide** to provide permanent housing to veterans experiencing homelessness. **In Region V, 31 housing authorities were awarded funds totaling \$1,521,181.** Since 2008, over 170,000 homeless veterans have been served and more than 100,000 vouchers have been awarded through the HUD-VASH program.¹ The Chicago Office has begun building essential working relationships with the Veterans Integrated Service Networks (VISNs) in Illinois to ensure that homeless veterans are being identified and receiving the vouchers they need.

In July 2020, HUD issued a notice for the registration of interest for HUD-VASH vouchers announcing the availability of \$50 million in HUD-VASH funding that will support approximately 6,000 new vouchers. Registrations of interest were due in September 2020 and will be announced in the new fiscal year.

A recent HUD “House Keys” podcast features a conversation with Earl Logan, a Navy veteran, and a HUD-VASH recipient. Earl talks about his struggles with homelessness and how the voucher gave him a new outlook on life. He shared his story earlier this year when Regional Administrator Joseph P. Galvan designated Cincinnati Metropolitan Housing Authority’s Findlater Resource Opportunities Center and the Winton Terrace Resource Opportunities Center as EnVision Centers. Galvan also presented the largest grant amounts in the state of Ohio from fiscal year 2019 for both Family Self Sufficiency and HUD-VASH: \$365,000 and \$143,000, respectively. Listen to the podcast and read the interviews with Earl Logan from the January 2020 event:

- Cincinnati To Receive More Than \$364,000 In Grants From HUD (WVXU)
- Department of Housing and Urban Development announces new Cincinnati programs (WCPO)
- Homeless veterans in Cincinnati to receive help through local partnership (WLWT)



Regional Administrator Joseph P. Galvan, veteran Earl Logan, Cincinnati Metropolitan Housing Authority CEO Gregory Johnson and Cincinnati VA Medical Center Director Mark Murdock at the EnVision Center at Findlater Gardens in Cincinnati in January 2020.

¹ https://www.hud.gov/press/press_releases_media_advisories/HUD_No_19_176



Region V Coronavirus Aid, Relief, and Economic Security (CARES) Act Funding

During the COVID-19 pandemic, Region V moved quickly to provide much needed relief to the American people through the Coronavirus Aid, Relief, and Economic Security Act. Since the CARES Act was signed into law this spring, HUD has provided over \$1 billion to state and local governments and to housing authorities throughout Region V to prevent, prepare, and respond to the COVID-19 pandemic. This CARES Act funding includes:

- \$791.9 million in Community Development Block Grants
- \$457.2 million in Emergency Solutions Grants
- \$6.3 million in both formula and competitive funding for the Housing Opportunities for Persons With AIDS program and
- \$247.6 million to assist 614 public housing authorities with rental subsidy and operations

For tenant based rental assistance, funds were made available for public housing agencies to maintain normal operations and take other necessary actions while being impacted by the coronavirus. Public housing agencies received funding for both administrative and other expenses for Section 8 programs, including mainstream vouchers. Funding has also included nearly \$9 million in tenant-based vouchers for persons with disabilities in public housing.

For project based rental assistance, Congress appropriated additional funding for several Multifamily Housing programs through the CARES Act, most of which is designated for increased rental subsidy in HUD-assisted housing to cover tenants' loss of income during this national emergency.

This includes:

- \$1 billion to support Project-based Rental Assistance properties, or Section 8 project-based properties,
- \$50 million to support Section 202 Supportive Housing for the Elderly properties with \$10 million of that amount for additional service coordinator support, and
- \$15 million for Section 811 Supportive Housing for Persons with Disabilities properties.

The Federal Housing Administration (FHA) announced the third extension of its foreclosure and eviction moratorium through December 31, 2020, for homeowners with FHA-insured single family mortgages covered under the CARES Act. This extension provides an additional four months of housing security to homeowners, as they will not fear losing their homes as they work to recover financially from the adverse impacts of the pandemic. With the third extension, FHA has provided more than nine months of foreclosure and eviction relief to FHA-insured homeowners.

We continue working with community partners and housing authorities as we continue to designate EnVision Centers throughout our Region.

We have launched HUD Midwest Matters, a series of conversations that highlight both the priorities of HUD Secretary Ben Carson as well as partners and collaborators leading best practices in Region V. It's another way the community can keep up with our region.

Regional Administrator Conducting CARES Act Funding Outreach to Elected Officials

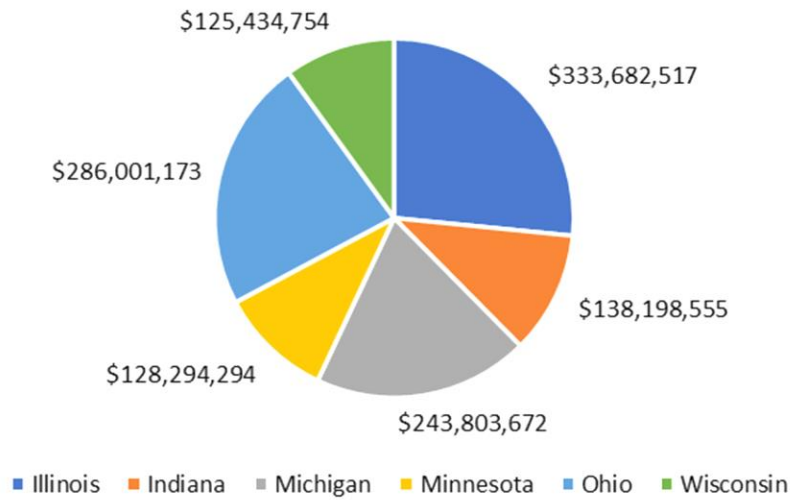
After the President signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act into law on March 27, HUD Secretary Ben Carson immediately directed his team to begin allocating \$3 billion through Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons With AIDS (HOPWA) programs so that grantees can quickly help their communities.

By the end of April, HUD Midwest Regional Administrator Joseph P. Galvan wrapped up outreach to more than 35 state, county and city elected officials whose communities received CARES Act funding from the first tranche. In addition to his personal calls, his Field Office Directors contacted elected officials to see if they had any questions regarding implementation of funds. Nationally, HUD began its allocation process for more than \$3 billion to help America's low-income families and most vulnerable citizens. Region V received nearly \$542 million from this first round of funding, providing relief to its six states through the Community Development Block Grant, Emergency Solutions Grant, and Housing Opportunities for Persons with AIDS (HOPWA) programs.

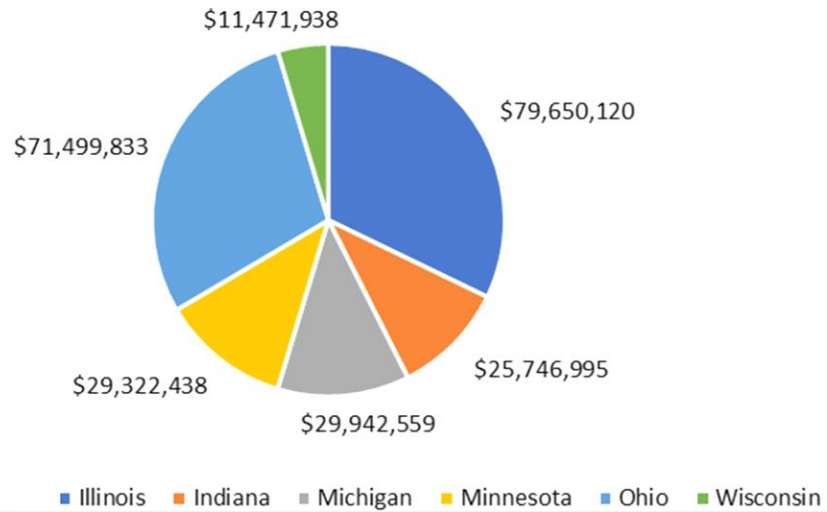
"We are facing unprecedented and incredibly trying times as we are at war with an invisible enemy, but together, our nation will rise to the occasion and defeat COVID-19!" said Joseph P. Galvan, HUD Midwest Regional Administrator. "Our local partners have a vital role to play as we continue addressing the COVID-19 national emergency and we at HUD are here to help as our work continues to assist our fellow citizens."

Region V CARES Act Funding

Community Development Funds

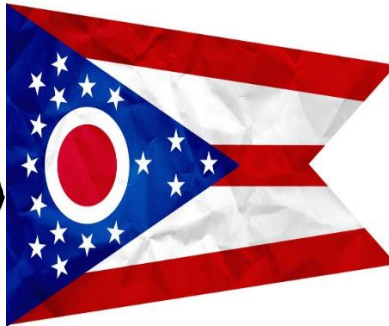
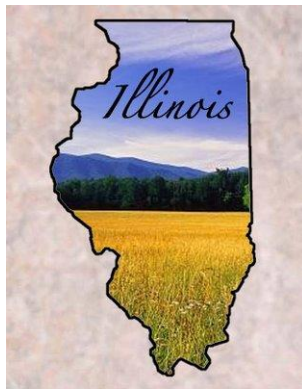


Public Housing Funds



Region V

State Spotlight



Illinois

HUD Partner Forum



On March 11-12, the Office of Field Policy and Management held its first ever HUD Partner Forum with more the 170 stakeholders and grantees from public housing authorities, municipalities and non-profits in attendance. Subject matter experts from HUD HQ and other federal agencies such as the Small Business Administration and Veterans Affairs were also present.

In coordination with the Offices of Community Planning and Development, Fair Housing and Equal Opportunity, Public and Indian Housing, Lead Hazard Control and Healthy Homes, Labor Relations, Administration and Chief Information Officer, HUD provided resources and information to our clients. FPM followed up by sending helpful resources and materials to those who attended.



Affordable Housing Preservation Roundtables

The Chicago Office of Field Policy and Management coordinated the Affordable Housing Round Table Listening Sessions in five states across the region in fiscal year 2020. The round tables were led by Regional Administrator Joseph P. Galvan and Chairman Brian A. Bernardoni. Supervisory Management Analyst, Ryan LaFollette organized and facilitated the round tables with support from Marta Juaniza and Samuel Mendelson.



The discussions focused on the localized concerns impacting each state including identification of federal, state, local laws and regulations and administrative practices that artificially raise the costs of affordable housing development. Since the round tables have concluded, Region V will develop a white paper to deliver to the HUD Secretary Carson on its findings.



Foster Youth Initiative (FYI) Round Tables:



Regional Administrator Joseph P. Galvan led the Foster Youth to Independence (FYI) roundtable series throughout Region V in fiscal year 2020. The series concluded with a total of six sessions. The round tables focused on the Foster Youth to Independence (FYI) and the Family Unification Program (FUP). Pacific Regional

Administrator Christopher Patterson and U.S. Department of Health and Human Services Commissioner Elizabeth Darling were presenters at all sessions that collectively reached nearly 1,000 individuals at child welfare agencies, public housing authorities, continuums of care, non-profits and others in each state in the region. Senior Advisor, Rosa Ailabouni, organized and facilitated the discussions. The roundtables encouraged partnerships and discussed the recently published notice that seeks to increase participation in the FYI initiative.



Minneapolis Field Office Director Michele Smith was joined by Bemidji Mayor Rita Albrecht in February to present nearly \$30,000 through the Foster Youth to Independence (FYI) initiative to the Bemidji Housing and Redevelopment Authority. The Bemidji Housing and Redevelopment Authority (HRA) was the first public housing authority in the Midwest region to receive FYI funds that will cover the first year of Section 8 rental assistance for six youth.

2020 Illinois Quick Facts	
Population	12,671,821
Median household income	\$63,575
Persons in poverty (%)	11.5%
Homeownership rate	69.5%
Percent of owners who are cost burdened	23.4%
Percent of renters who are cost burdened	47%
Unemployment rate	4.2% (as of March 2020)
Dollars awarded in Capital Fund allocations	\$138,109,055
Dollars awarded in FSS and ROSS grants	\$2,949,119
Dollars awarded in Operating Fund	\$258,431,746
Number of units repositioned during year	764
Authorized HCVs	111,171
Utilized HCVs	103,552
CARES Act Funding	\$38,287,760

Indiana

IndyEast Named 21st Century Talent Region

On June 2, 2020, Blair Milo, Indiana Secretary of Career Connections and Talent, announced the HUD IndyEast Promise Zone as the state's sixth Talent Region. Indiana Governor Eric Holcomb established the 21st Century Talent Regions program to support "plan[s] to increase educational attainment, raise household income, and grow population." The new 21st Century Talent Region encompasses the entire IndyEast Promise Zone along with surrounding federal Opportunity Zones, collectively referenced as the Economic Mobility District. Twenty-one percent of unemployment claims in Marion County, Indiana

stemming from the COVID-19 pandemic were filed by residents of the Economic Mobility District; but just ten percent of Marion County residents call the District home. The strategies, programs, and connectivity provided by the new Talent Region will prove critical to facilitating household and community recovery from the current economic crisis and resilience for the future.

Promise Zone Federal Convening

The Indiana Field Office and Evansville Promise Zone partnered with the National Coalition of Promise Zones to host the inaugural National Coalition of Promise Zones 2020 Federal Convening. The planning committee consisted of Promise Community Liaisons from Evansville, Atlanta, and Sacramento and National Coalition of Promise Zone members and Promise Zone Directors from Evansville, Sacramento, and Kentucky. The planning committee team recruited Community Liaisons from Promise Zones across the country to moderate 16 federal agency virtual sessions broadcast via Zoom and Facebook Live. A total of 1,396 attended the 3-week virtual conference that began August 20, 2020 and concluded September 3, 2020. The National Coalition of Promise Zones 2020 Federal Convening is an example of the HUD's commitment to empowering individuals, families, communities, and the local government with federal resources for self-sufficiency.

Congressional Briefing

Leah Berti, a Management Analyst at the Indianapolis field office, developed a congressional briefing template that she has used to highlight the impact of federal housing and community development programs on each of Indiana's nine congressional districts, as well as the State of Indiana as a whole, for Indiana's representatives in the U.S. House of Representatives and Senate. Information shared in the briefings was compiled with support from HUD's program office representatives at its state and regional offices. The briefings have been designed to give legislators an annual update on some of the programs for which the legislature allocates funds while providing an opening for further conversation between agency staff and legislators about local needs.

Partnering to Keep Hoosiers Housed

Indiana Public Housing Authorities partnered with the State Housing Finance Agency to administer the Indiana COVID-19 Rental Assistance Program.

The Rental Assistance Program is designed to decrease evictions and increase housing stability by helping renters whose income has been adversely affected by COVID-19. The program can provide eligible renters with up to \$2,000 in assistance to help cover past due and ongoing monthly rent payments or late fees. To receive assistance, a renter's landlord must agree to participate in the program and payments are provided to the landlord directly. The Rental Assistance Program has assisted more than 13,400 Hoosier families.

2020 Indiana Quick Facts	
Population	6,732,219
Median household income	\$54,325
Persons in poverty (%)	11.9%
Homeownership rate	69.5%
Percent of owners who are cost burdened	16.1%
Percent of renters who are cost burdened	44.3%
Unemployment rate	3% (as of March 2020)
Dollars awarded in Capital Fund allocations	\$34,047,376
Dollars awarded in FSS and ROSS grants	\$1,291,983
Dollars awarded in Operating Fund	\$42,228,174
Number of units repositioned during year	222
Authorized HCVs	42,416
Utilized HCVs	38,025
CARES Act Funding	\$6,313,187

Michigan

HUD Detroit Uses Technology to Assist Those in Need

In the very beginning stages of the COVID-19 pandemic, Detroit Office Program Analyst, Daniel Huyck, started to receive requests for information on COVID testing sites near HUD public and multifamily housing developments. What started out as mapping specific sites morphed into a request to show all known testing sites near HUD properties. Working with ArcGIS, Daniel layered HUD assisted units against a layer of COVID testing sites that is continually updated by GISCorps. Using the map he created, Daniel also developed an App that allows the public to easily use the graphical map to find COVID testing sites and information on how to update or submit new testing sites to the map. [Access it here.](#)

In May 19, 2020, a dam break in Midland County caused widespread flooding and destruction. Daniel worked with the State of Michigan's Department of the Environment, Great Lakes and Energy to gather together a layer of state regulated dams, federal dams, and flood hazard areas that includes the condition of the dams and where they are in relation to HUD assisted properties to create another map. [Visit it here.](#)

HUD/SBA Partnership at Durfee Innovation Society EnVision Center

On February 28, 2020, the HUD Detroit Office and the Michigan Office of the Small Business Administration (SBA) kicked off its participation at the EnVision Center at the Durfee Innovation Society in Detroit, Michigan. The event showcased the contributions of African American entrepreneurs to the Detroit area and featured African American small business success stories and highlighted the entrepreneurial resources, including those offered by the SBA, to empower the growth and success of African American business owners. There was a panel discussion on "You Can Reach Your Dreams, We Can Help" comprised of small business resource providers. Another panel, titled "Igniting the Entrepreneurial Community" was comprised of African American small business owners. Over 100 people participated in this event learning more about HUD and SBA business resources, including the Section 3 business registry.



Promoting Opportunity Zones in Flint

Detroit Field Office Director Mike Polsinelli participated in the White House Opportunity and Revitalization Council Entrepreneurship Summit in Flint, Michigan. The summit brought together civic leaders, community stakeholders and entrepreneurs to discuss best practices for revitalization, Opportunity Zone investments, and collaboration at all levels of government and business. Field Office Director Polsinelli presented on how HUD's programs can align with investments in Opportunity Zones. The event focused on success stories from communities around the country and the federal panel answered questions related to the continued streamlining, coordinating, and targeting of existing federal programs toward Opportunity Zones.



2020 Michigan Quick Facts	
Population	9,986,857
Median household income	\$54,938
Persons in poverty (%)	13%
Homeownership rate	73%
Percent of owners who are cost burdened	18.9%
Percent of renters who are cost burdened	42%
Unemployment rate	4.3% (as of March 2020)
Dollars awarded in Capital Fund allocations	\$47,945,630
Dollars awarded in FSS and ROSS grants	\$3,192,252
Dollars awarded in Operating Fund	\$74,068,407
Number of units repositioned during year	473
Authorized HCVs	62,260
Utilized HCVs	54,139
CARES Act Funding	\$10,982,698

Minnesota

FPM Collaborates with Census for The Opportunity Project

For the second year in a row, Minneapolis FPM partnered with the Census to help lead efforts to solve HUD partner and stakeholder challenges via The Opportunity Project (TOP). TOP is an annual event led by Census and focused on bringing together government, nonprofit, and STEM/IT industry partners to work on app and data projects around Federal problem statements. In 2020, HUD's problem statement focused on self-sufficiency for low-income families in support of Secretary Carson's EnVision Centers initiative. Minneapolis FPM not only gave guidance and advice to the Tech Teams, but also helped pull in additional FPM colleagues from Columbus, Nashville, Hartford, Kansas City, California, and HQ, which led to additional EnVision Center partnerships, better prototype apps, and even a demo for Secretary Carson by one of the Tech Teams. FPM is continuing these efforts in fiscal year 2021, which will include a potential app pilot for select EnVision Centers across the country.

HUD and SBA Support Entrepreneurs of Color

In early December 2019, Minneapolis FPM joined the Minnesota U.S. Small Business Administration District Office at First Avenue, home of Prince and Purple Rain music and movie fame, to help kickoff an effort focused on supporting entrepreneurs of color living near the Upper Harbor Terminal, an Opportunity Zone mixed-use project in North Minneapolis. The project is located on the Mississippi River in both an Opportunity Zone and the North Minneapolis Promise Zone and is the top development priority for the City of Minneapolis. Proposed amenities include an amphitheater; a hotel; mixed-use and mixed-income multifamily housing; public park and recreation space; river access; a community innovation hub; local food, environmental, and sustainable/renewable energy considerations; and more.



Metro Area Move Up Minnesota Pilot Project

During this past year, Minneapolis FPM worked with Minneapolis-St. Paul metro area continuum of care coordinators and public housing authorities to set-up the Metro Area Move Up Minnesota Pilot Project. Under the initiative, formerly homeless people living in permanent supportive housing who no longer need supportive services but still need rental assistance are provided a Housing Choice Voucher. When the person leaves his or her permanent supportive housing unit, they create a housing opportunity for a person with disabilities who is homeless and desperately needs the supportive services. The Minneapolis and St. Paul Public Housing Authorities and the Metropolitan Housing and Redevelopment Authority committed a total of 170 Housing Choice Vouchers to this initiative.



2020 Minnesota Quick Facts	
Population	5,639,632
Median household income	\$68,411
Persons in poverty (%)	9%
Homeownership rate	71.4%
Percent of owners who are cost burdened	17.9%
Percent of renters who are cost burdened	43.5%
Unemployment rate	3.1%
Dollars awarded in Capital Fund allocations	\$48,703,595
Dollars awarded in FSS and ROSS grants	\$593,683
Dollars awarded in Operating Fund	\$52,118,850
Number of units repositioned during year	4,068
Authorized HCVs	34,105
Utilized HCVs	30,930
CARES Act Funding	\$4,652,538

Ohio

Cleveland, OH

PATHWAY EnVision Center



This Summer Pathway in Toledo, Ohio received its EnVision Center designation from the Department by Regional Administrator Joseph Galvan. Pathway

provides multiple services to low and very low-income residents in need of case management, utility assistance, rental assistance and workforce development through character and leadership programs, financial literacy and fatherhood programming. Integrated service delivery provides assistance to residents across a varied cross-sector of partnerships moving participants onto a path of self-sufficiency. Partnerships with Lucas Metropolitan Housing Authority through its Jobs Plus Program and Pathway's designation as a LISC Financial Opportunity Center provides residents with opportunities to improve job readiness and financial literacy skills. Though facing challenges due to COVID-19, Pathway remains committed to serving the community and adjusting to programming needs and service delivery remotely to the fullest extent possible.

Four New EnVision Centers Selected

During fiscal year 2020, the Columbus Field Office designated four new EnVision Centers: Winton Terrace and Findlater Gardens (Cincinnati Metropolitan Housing Authority), the RISE Center (Resident Initiative Success Empowerment – Columbus Metropolitan Housing Authority) and Building Bridges to Careers (BB2C), an independent not-for-profit agency in rural Marietta, Ohio. These four EnVision Centers stand out among the best for their results in providing critical assistance to their communities, their active partnerships with dozens of private sector organizations and local, state and federal government agencies that provide on-site services, and in their responses to COVID-19. These initiatives include hosting food distribution sites and care package deliveries to seniors, on-site health services, access to library services and on-line educational courses; events to keep housing participants engaged through safe outreach; promoting telehealth and digital access (connections, hardware and training); book distributions to thousands of children, the production of face shields for local hospitals and EMT squads; job fairs; skills training with local and national companies including Sherwin Williams and Lowes; actively registering residents for Section 3 employment opportunities; and many others. These EnVision Centers continue to make a real difference in promoting economic empowerment, educational advancement, health and wellness, and character and leadership in our communities.

Lead Hazard Statewide Initiatives Save Lives

For over 20 years, the Columbus Field Office has collaborated with the Ohio Department of Health (ODH) to identify and mitigate the hazards of lead poisoning in housing throughout Ohio. Using advanced data and GIS analysis, HUD uses ODH positive elevated blood level data to match address level locations and to identify any connections to HUD public housing, Housing Choice Voucher, and multifamily developments in Ohio. In collaboration with the USDA Rural Development and the Ohio Housing Finance Agency, we have included USDA RD and Low Income Housing Tax Credit developments in our analysis to cover the majority of rental assistance housing in Ohio. In fiscal year 2020, we expanded the analysis to include units in close proximity of specific properties identified by ODH as Lead Hazardous Properties which are prohibited for any occupancy. We identified over 200 HCV units within 100 ft. The Columbus Field Office also participated in the Governor's Lead Task Force.

High HUD-VASH Utilization

Again in fiscal year 2020, the Columbus Field Office coordinated HUD-Veterans Affairs Supportive Housing (VASH) meetings with our partners including public housing authorities, VA Medical Centers, the Veterans Integrated Service Network (VISN), continuum of care agencies, and others. In collaboration with the Cleveland Field Office, we focused on HUD and VA utilization data and worked to promote interagency cooperation to increase utilization, decrease the time it takes for a veteran to find

housing, and to focus on a shared Veteran status listing to ensure that all eligible veterans are served effectively. As a result, HUD VASH utilization in Ohio continues to lead the Region V average that leads the national average.

2020 Ohio Quick Facts	
Population	11,698,100
Median household income	\$54,533
Persons in poverty (%)	13.1%
Homeownership rate	68.2%
Percent of owners who are cost burdened	17.4%
Percent of renters who are cost burdened	42.1%
Unemployment rate	4.1% (as of March 2020)
Dollars awarded in Capital Fund allocations	\$105,483,275
Dollars awarded in FSS and ROSS grants	\$5,124,023
Dollars awarded in Operating Fund	\$199,061,927
Number of units repositioned during year	1,286
Authorized HCVs	
Utilized HCVs	
CARES Act Funding	\$29,748,482

Wisconsin

Following the outbreak of COVID 19 Office of Field Policy Management (FPM) staff in the Milwaukee Field Office have placed an increased emphasis on the homeless.

Since March 2020 Milwaukee Field Office Director Dale Darrow has met weekly with the principal representatives of the 4 continuum of care organizations in Wisconsin and the Director of Governor Ever's eight state agency Interagency Council on Homelessness. The meetings have served to assess the capacity and effectiveness of homeless shelter programs, supportive services provided by state agencies and local government, and CoC service provider needs. A second weekly meeting for the group was scheduled with the Wisconsin Departments of Health Services, Emergency Management Agency, and the state agency that administers HUD small cities grant funding. These meetings began in April 2020.

FPM Policy Analyst Claire Hackett has been attending meetings of the Milwaukee and Racine county continuum of care organizations, and also the Milwaukee Reentry Council which is comprised of more than 30 organizations focused on providing housing, employment and support services to persons leaving prison. The Reentry Council was formed through efforts of the U.S. Attorney Office for the Eastern District of Wisconsin.

In addition to providing customer support services FPM Management Analyst Sonya Medina has been providing support services for the Milwaukee Field Office on behalf of HUD's Office of Administration.

2020 Wisconsin Quick Facts	
Population	5,822,434
Median household income	\$59,209
Persons in poverty (%)	10.4%
Homeownership rate	66.1%
Percent of owners who are cost burdened	18.9%
Percent of renters who are cost burdened	42.0%
Unemployment rate	3.5% (as of March 2020)
Dollars awarded in Capital Fund allocations	\$25,103,083
Dollars awarded in FSS and ROSS grants	\$1,101,002
Dollars awarded in Operating Fund	\$17,560,303
Number of units repositioned during year	481
Authorized HCVs	
Utilized HCVs	
CARES Act Funding	\$2,705,102

Program Office Highlights

Community Planning and Development

The Office of Community Planning and Development (CPD) seeks to develop viable communities by promoting integrated approaches that provide decent housing, a suitable living environment, and expand economic opportunities for low and moderate income persons. The primary means towards this end is the development of partnerships among all levels of government and the private sector, including for-profit and non-profit organizations.

Success Through Cooperation

From April 2019 through September 2020, HUD's Office of Community Planning and Development has been taking proactive steps in addressing homelessness. Through a partnership with CPD staff in Chicago and headquarters, CSH (technical assistance provider), All Chicago and Revive, staff from Revive were able to re-house 99 individual tenants living across 12 different locations from a project/agency that had been defunded due to compliance and performance concerns. Revive staff worked diligently to work with individuals and their preferences and barriers to housing to ensure they moved to a place that would be safe and healthy for them to live and thrive.

All Chicago and CPD have been meeting weekly to be as proactive as possible in addressing rising concerns regarding continuum of care spenddown and regulatory training. In partnership with CPD, All Chicago set up their own spenddown oversight process to ensure they work with problem spenders and provide technical assistance to build capacity within the agencies. Their CPD representative sends them monthly continuum of care spenddown reports and discusses this with them on a monthly basis. All Chicago is also working closely with CPD to gather resources to support newly funded continuum of care projects. All Chicago and the CPD Rep also work to each other's strengths, requesting each other's assistance in trainings for a variety of topics: The All Chicago finance team has met with individual agencies upon CPD request to walk through setting up a match tracking process in their accounting system while the CPD representative guides the agency on the regulations.

The Chicago Department of Family and Support Services (DFSS) has been an incredible partner in addressing concerns from folks who come in through FPM. When there is a concern or someone experiencing homelessness, CPD can always call on DFSS to coordinate their outreach teams to immediately assist.

\$6.3 Million in Housing Opportunities for Persons with AIDS (HOPWA) Program Renewal Funds Awarded to Region V

In June 2020, HUD announced more than \$35.8 million nationally to assist more than 2,856 low-income persons living with HIV/AIDS and their families over a three-year period through the Housing Opportunities for Persons with AIDS Program (HOPWA). These grants renew HUD's support of 31 local programs and provide a combination of housing assistance and supportive services for this vulnerable population. Region V received \$6.3 million that includes \$4 million for Illinois, \$880,000 for Minnesota, and \$1.3 million for Wisconsin.



Office of Community Planning and Development 2020 Awards and Allocations					
	CDBG	Available Section 108 Borrowing Authority	ESG	CoC	HOPWA
Illinois	\$379,344,606	\$753,926,065	\$132,972,172	\$120,927,973	\$19,413,185
Indiana	\$156,003,149	\$283,014,071	\$56,144,440	\$25,413,103	\$3,650,735
Michigan	\$285,648,546	\$555,156,470	\$92,915,010	\$77,727,520	\$6,526,496
Minnesota	\$127,151,059	\$261,070,625	\$585,123,376	\$34,799,279	\$3,360,471
Ohio	\$334,738,817	\$640,459,995	\$118,189,358	\$112,603,683	\$7,164,084
Wisconsin	\$141,156,179	\$289,552,925	\$52,559,318	\$26,032,913	\$2,439,964
Total	\$1,424,042,356	\$2,783,180,151	\$1,037,903,674	\$397,504,471	\$42,554,935

Single Family Housing

Region V - Annual Report Statistics by State FY 2019 and FY 2020

Data Source: SFDW Query Tool, P260 System

Region V	Illinois			Indiana			Michigan		
	FY 2019	FY 2020	O/(U)	FY 2019	FY 2020	O/(U)	FY 2019	FY 2020	O/(U)
Insurance In Force (#)	265,592	310,164	16.78%	196,277	229,300	16.82%	205,504	238,983	16.29%
Insurance In Force (\$)	\$40,916,442,214	\$49,807,530,618	21.73%	\$22,837,111,621	\$28,230,075,701	23.61%	\$23,774,039,342	\$29,076,053,831	22.30%
Endorsements (#)	34,900	46,757	33.97%	27,058	35,022	29.43%	29,837	35,394	18.62%
Endorsements (\$)	\$6,407,565,460	\$9,260,703,242	44.53%	\$4,016,494,948	\$5,694,040,408	41.77%	\$4,349,907,245	\$5,561,390,911	27.85%
First Time Homebuyers (#)	22,804	24,621	7.97%	15,615	16,094	3.07%	16,391	16,419	0.17%
% of Endorsements	65.34%	52.66%		57.71%	45.95%		54.94%	46.39%	
First Time Homebuyers (\$)	\$4,132,894,134	\$4,710,347,831	13.97%	\$2,249,996,840	\$2,520,809,534	12.04%	\$2,305,434,820	\$2,469,877,374	7.13%
HECM (#)	509	544	6.88%	284	325	14.44%	441	496	12.47%
HECM (\$)	\$123,443,792	\$139,435,947	12.96%	\$49,656,925	\$64,076,183	29.04%	\$94,806,675	\$112,652,760	18.82%
REO Home Sales	1,044	1,150	10.15%	440	583	32.50%	593	674	13.66%
Inventory (EOY)	431	271	-37.12%	181	70	-61.33%	255	114	-55.29%
Note Sales (#)		31			13			14	
Note Sales (\$)		\$5,950,205			\$1,332,818			\$2,070,356	

Region V	Minnesota			Ohio			Wisconsin		
	FY 2019	FY 2020	O/(U)	FY 2019	FY 2020	O/(U)	FY 2019	FY 2020	O/(U)
Insurance In Force (#)	109,163	127,798	17.07%	305,535	349,952	14.54%	72,938	86,268	18.28%
Insurance In Force (\$)	\$18,131,737,956	\$22,210,007,761	22.49%	\$35,861,067,544	\$42,760,264,364	19.24%	\$10,097,262,241	\$12,458,546,919	23.39%
Endorsements (#)	15,190	20,027	31.84%	38,345	46,791	22.03%	10,740	14,357	33.68%
Endorsements (\$)	\$3,092,053,350	\$4,307,400,930	39.31%	\$5,421,090,457	\$7,223,697,095	33.25%	\$1,770,754,968	\$2,510,787,657	41.79%
First Time Homebuyers (#)	8,812	9,174	4.11%	23,731	24,625	3.77%	5,961	6,324	6.09%
% of Endorsements	58.01%	45.81%		61.89%	52.63%		55.50%	44.05%	
First Time Homebuyers (\$)	\$1,791,598,823	\$1,989,400,403	11.04%	\$3,211,082,743	\$3,585,265,533	11.65%	\$961,677,578	\$1,079,653,136	12.27%
HECM (#)	283	394	39.22%	534	579	8.43%	213	251	17.84%
HECM (\$)	\$76,172,550	\$116,580,669	53.05%	\$112,627,049	\$142,133,164	26.20%	\$47,919,575	\$61,731,150	28.82%
REO Home Sales	193	224	16.06%	1,054	1,101	4.46%	187	165	-11.76%
Inventory (EOY)	69	53	-23.19%	322	159	-50.62%	61	83	36.07%
Note Sales (#)		*			15			*	
Note Sales (\$)		*			\$2,528,989			*	

FHA Extends Single Family Foreclosure & Eviction Moratorium

The Federal Housing Administration (FHA) announced on Wednesday a two-month extension of its foreclosure and eviction moratorium through August 31, 2020, for homeowners with FHA-insured Single Family mortgages. This extension provides additional security and peace of mind to homeowners that they will not lose their homes while they are trying to recover financially.

FHA's Single Family foreclosure and eviction moratorium extension applies to homeowners with FHA-insured Title II Single Family forward and Home Equity Conversion (reverse) mortgages, and continues to direct mortgage servicers to:

- Halt all new foreclosure actions and suspend all foreclosure actions currently in process, excluding legally vacant or abandoned properties; and
- Cease all evictions of persons from FHA-insured Single Family properties, excluding actions to evict occupants of legally vacant or abandoned properties.

"Our foreclosure and eviction extension means that these families will not have to worry about losing their home as they work to recover from the financial impacts of #COVID19." @SecretaryCarson



FHA extends foreclosure and eviction moratorium again - HousingWire
The FHA said on Wednesday it intends to provide additional security and relief to homeowners attempting to financially recover from the current ...
@housingwire.com

Office of Recapitalization

Since RAD has been authorized, there has been the following activity in Region V (through FY20):

State	RAD Units	Total Hard Costs	RAD Transactions
IL	8,702	\$920,454,012	66
IN	2,637	\$63,678,757	22
MI	2,046	\$138,479,505	25
MN	4,166	\$37,273,346	13
OH	4,207	\$284,476,806	36
WI	1,622	\$134,874,133	22
Grand Total	23,380	\$1,579,236,559	184

In FY20, the following transactions closed across the region:

State	RAD Units	Total Hard Costs	RAD Transactions
IL		\$184,283,825	8
IN		\$19,064,734	2
MI		\$1,260,788	3
MN		\$29,484,177	9
OH		\$83,791,803	10
WI		\$62,395,514	4
Grand Total		\$380,280,841	36

East Bluff Homes in Peoria Preserves Affordable Units Through RAD

The Peoria Opportunities Foundation, a not-for-profit affordable housing developer in Central Illinois, celebrated a groundbreaking this week of a development that includes a Rental Assistance Demonstration conversion. The East Bluff neighborhood has some of Peoria's oldest housing stock with 67% of the houses built before 1950. Over the last eight years, the city has invested nearly \$68 million to spur additional investment and growth in that community, including a transfer of assistance of 16 units to a location near the existing East Bluff Housing site. The new development will consist of 30 dwelling units, 16 of which are Rental Assistance Demonstration units, on 25 sites totaling 3.68 acres. The transaction includes HOME funds, a Federal Home Loan Bank Affordable Housing Program grant and 9% Low Income Housing Tax Credit equity.

“The Rental Assistance Demonstration allows HUD to preserve and maintain affordable housing units,” said HUD Midwest Regional Administrator Joseph P. Galvan. “HUD facilitated the conversion of 16 RAD units as part of the Peoria Housing Authority and the Peoria Opportunities Foundation’s East Bluff redevelopment. This public-private partnership is a key component of RAD and ensures permanent affordability to low-income households.”



Photo courtesy of Peoria Journal-Star

Chicago Housing Authority Uses RAD to Deliver 74 Units at Senior Living Development

Midwest Deputy Regional Administrator Jim Cunningham attended the January 24, 2020, groundbreaking event for Ravenswood Senior Living, a planned adaptive mixed-use, mixed-income development in Chicago’s Lincoln Square neighborhood. He joined 47th Ward Ald. Matt Martin, officials from the Chicago Housing Authority (CHA), Illinois Housing Development Authority, Evergreen Development LLC representatives and other partners at the ceremonial event.

The Chicago Housing Authority’s Prequalified Development Partners, Evergreen Development LLC, acquired the site and brought the project to the CHA. After review, CHA proposed a project-based voucher rental assistance demonstration conversion for this 193-unit project to deliver 74 new, 1-bedroom RAD units and 119 Low Income Housing Tax Credit units.

The project is currently Ravenswood Hospital, a vacant site that will be reconfigured into a unique senior living structure that combines independent and supportive living facilities. Ravenswood Senior Living offers a unique opportunity for CHA to create a continuum of care facility for CHA residents that offers the required services of a supportive living facility on the first four floors, while at the same time dedicating upper floors for independent living. The model is specifically designed to enable an independent senior to transition directly to the supportive living facility when needed.

This is a mixed financing transaction of private and public sources totaling \$80.2 million including Illinois Housing Development Authority Risk Share loan, LIHTC equity, tax credits, seller takeback financing and non-federal public housing authority funds.



Photo courtesy of Block Club Chicago

Ceremonial groundbreaking on Jan. 24, 2020 of the Ravenswood Senior Living development at the former Ravenswood Hospital. Evergreen representatives joined 47th Ward Ald. Matt Martin and officials from the Chicago Housing Authority (CHA), Illinois Housing Development Authority (IHDA) and other partners at the event.

The Special Applications Center

Overview:

The City of Minneapolis Public Housing Agency (MPHA) operates over 5,900 public housing units, nearly 5,000 of which are high-rises for seniors. In addition, MPHA sought to create more housing for families by pursuing a “scattered site” strategy that would avoid concentrations of poverty. Over the course of years, the MPHA added 716 scattered site units, which are mostly single-family homes, duplexes, triplexes and quadplexes. Today, this scattered site inventory includes a total of 717 units.

2020 Highlight:

While this scattered site inventory met MPHA’s goals of deconcentrating housing, it also proved extremely challenging for MPHA to operate, not just in the amount of time spent travelling to each site to make repairs but in having to maintain and purchase different materials and building components of each home. In 2020, MPHA applied for and was approved for Section 18 disposition of its entire scattered site inventory, which has now been sold for \$1per unit to MPHA’s non-profit instrumentality, Community Housing Resources. MPHA received Section 8 Tenant Protection Vouchers for 716 of these units. Only one unit was vacant for more than 24 months, which in turn will be project-based. Most of the units will be converted to long-term project-based assistance via the project based voucher program. The

Section 8 voucher rents will allow MPHA to maintain the units at a higher level than was possible under the public housing program but also permit MPHA to secure first mortgage proceeds to address all the backlog capital needs. Without the Section 18 Scattered Site program, MPHA would likely have lost much of this inventory through gradual disrepair.

Office of Multifamily Housing

More than \$50 Million in Section 202 Funding Made Available

Cleveland Field Office Director Pam Ashby stepped in when Regional Administrator Joseph Galvan was snowed out from travel to Ohio to announce nearly \$15 million to four awardees in the state to build 242 new homes for low-income seniors. These funds are part of more than \$51 million announced nationally in housing assistance to non-profit organizations across the country to finance more affordable housing construction, provide rental assistance, and facilitate supportive services delivery for very low-income seniors. This was the first time in several years since this funding was provided. HUD expects to publish another Notice of Funding Availability this spring.



(Left to right): Bridgette Smith of Vesta Longfellow, \$1.2 M; Ann Conn of McGregor Foundation, nearly \$3.5 M; Pamela Ashby, Cleveland Field Office Director; Meghan Kelly of National Church Residences, nearly \$5 M; and Kaitlyn McKerney of Neighborhood Development Services, Windham, nearly \$5 M.

Region V Receives Nearly \$21 Million in Section 811 Project Rental Assistance Awards

On Monday, HUD announced more than \$74 million in grants to 12 state housing finance agencies to support affordable rental housing for extremely low-income persons with disabilities. The awards will support up to five years of rental assistance for approximately 2,400 units of housing in buildings participating in project rental assistance through HUD's Section 811 Supportive Housing for Persons with Disabilities program. This funding has not been available since 2014.

The grants were awarded to state housing agencies that work closely with their state Medicaid and Health and Human Services counterparts to identify, refer, and conduct outreach to persons with disabilities who require long-term services to live independently. The program increases the production of rental housing units for individuals with disabilities by integrating these units within existing, new, or renovated multifamily developments.



The awards to 12 state housing finance agencies will support up to five years of project rental assistance for approximately 2,400 units targeted for use by extremely low-income persons with disabilities.

Region V received nearly \$21 million including \$7 million apiece for the Illinois Housing Development Authority and for the Indiana Housing & Community Development Authority and nearly \$7 million for the Minnesota Housing Finance Agency.

"This funding will provide vital affordable housing options for the most vulnerable among us: very-low income individuals with disabilities," said HUD Midwest Regional Administrator Joseph P. Galvan. "These awards will promote independence in the least restrictive setting with supportive services and diversion from much more costly institutionalization."

Multifamily Insurance in Force	
Illinois	\$3,982,012,853.49
Indiana	\$3,143,095,881.95
Michigan	\$3,178,395,196.19
Minnesota	\$3,325,957,036.55
Ohio	\$2,726,254,001.26
Wisconsin	\$1,350,448,729.31
Grand Total	\$17,706,163,698.75

Service Coordinator Grant Amount		
State	Number of Grants	Grant Amount
Illinois	48	\$5,465,081
Indiana	35	\$2,633,863
Michigan	105	\$8,263,789
Minnesota	16	\$1,822,858
Ohio	189	\$11,668,381
Wisconsin	69	\$4,351,971
Grand Total	462	\$34,205,943

2020 Multifamily Properties		
States	Number of Projects	Units with Rental Assistance
Illinois	938	72,568
Indiana	516	33,643
Michigan	714	61,772
Minnesota	679	38,513
Ohio	1,307	83,003
Wisconsin	645	34,093

2020 Multifamily Funding						
	Illinois	Indiana	Michigan	Minnesota	Ohio	Wisconsin
Project-Based Rental Assistance						
Units Assisted	64,920	30,440	56,248	35,311	74,630	31,896
FY20 Funding	\$674,399,105	\$194,991,735	\$388,447,910	\$222,284,581	\$526,357,626	\$188,937,079
Section 811						
Units Assisted	1,649	816	535	774	1,690	521
FY20	\$12,518,866	\$2,830,699	\$2,594,101	\$3,906,675	\$9,422,800	\$2,614,830
Other (202s, 236s, etc.)						
Units Assisted	5,999	2,387	4,989	2,428	6,683	1,676
FY20	\$48,513,782	\$9,251,857	\$13,502,251	\$8,840,423	\$29,104,616	\$6,148,784

2020 Multifamily Tenant Figures				
State	Housing Units	Tenants Served	Children Served	Median Income of Assisted Households
Illinois	72,568	68,792	31,481	\$10,772
Indiana	33,643	31,788	17,096	\$11,250
Michigan	61,772	58,221	26,161	\$11,632
Minnesota	38,513	34,922	16,829	\$12,456
Ohio	83,003	79,075	43,746	\$6,534
Wisconsin	34,093	32,056	11,355	\$7,320

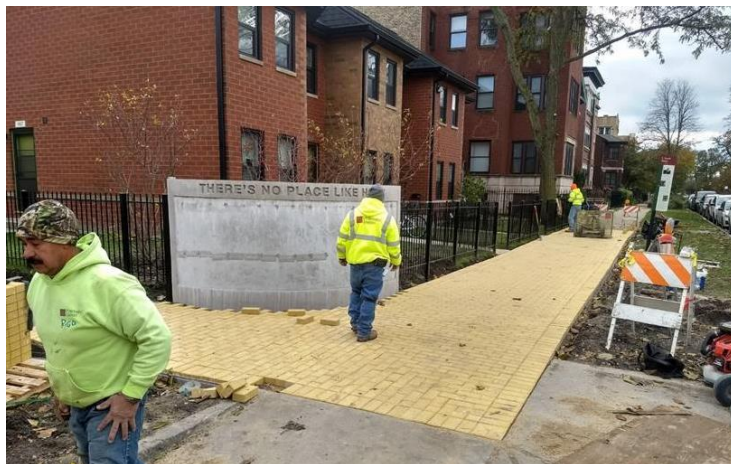
Office of Multifamily Housing Celebrates with Affordable Housing Developer Named Polk Brothers Award Winner



Bickerdike Redevelopment Corporation was awarded the Polk Bros. Foundation Affordable Rental Housing Preservation Award Wednesday in an online ceremony for a project that included a \$60.4 million 221(d)(4) HUD-insured loan that facilitated the purchase and substantial rehabilitation of the large, scattered site portfolio of apartment properties. Congratulations to the Chicago Office of Multifamily Housing team of Dan Burke, Steve Ott, Lesley Johnson and Ace Rassul for their work on this effort.

The West Town Housing Preservation project from the 1980s underwent moderate rehab that was completed last year. The project includes 68 individual buildings, ranging in unit count from two to twelve, and comprises a total of 318 individual multifamily rental units. All buildings are located on the near Northwest Side of Chicago in the neighborhoods of West Town (Wicker Park and Noble Square), Humboldt Park, and Logan Square and are owned by Bickerdike Redevelopment Corporation.

A distinguishing feature of one of the properties is the yellow brick road in front of it at Humboldt



Boulevard and Wabansia Avenue to commemorate the site where The Wizard of Oz author Frank Baum wrote the book in 1899.

The total budgeted rehabilitation costs for all improvements were \$36,027,207 (\$116,548 per unit) and include replacement of the roofs, tuck-pointing, replacement of exterior wood stairs, replacement of deficient windows, significant upgrades to existing HVAC systems, new hot water heaters, floor

replacement or repair, new appliances, kitchen cabinets and bathroom fixtures.

The preservation project is an integral one for the City of Chicago, as it receives rental assistance through project-based Section 8 and provides affordable long-term housing for rapidly changing neighborhoods. Preservation of affordable housing in this area is paramount in setting forth HUD's mission to preserve affordable housing.

Bickerdike Redevelopment Corporation (BRC) has been developing and managing affordable housing on the Northwest Side of Chicago since 1967. During its nearly 50 years of operations, BRC has built or rehabilitated 1,182 units of affordable housing in 259 buildings totaling over \$223 million of investment.

The Polk Bros. Foundation Affordable Rental Housing Preservation Award recognizes a for-profit developer or a non-profit community development organization for a specific real estate project in the City of Chicago that has preserved affordable rental housing. The award seeks to recognize developers that have maintained the affordability of existing rental housing in properties at risk due to expiring affordability requirements or sub-standard conditions.

Office of Multifamily Housing Preserves Affordable Housing at Cincinnati Scholar House



Cincinnati Scholar House was built with a partnership of Cincinnati Union Bethel (CUB), The Model Group (TMG) and Christ Church Cathedral (CCC). The Office of Multifamily Housing preserved affordable housing as all 44 units (32 two bedrooms and 12 three bedrooms) received Section 8 Housing Assistance Payment (HAP) subsidy through successful HAP transfers. Cincinnati Scholar House is LEED certified and its funding sources include Low Income

Housing Tax Credits. It contains a transitional learning-living program that will equip low-income single parents with the support they need to complete a post-secondary degree and improve their work prospects. The property has common areas to support such activities as childcare, connections with work study programs, financial aid, mentoring and workshops. The Scholar House concept, which began at a community in Lexington, and has grown to 10 additional locations in Kentucky and Ohio, is a proven model that will assist parents while they earn their degree and work their way towards self-sufficiency, while their children simultaneously receive a quality introduction to learning. Both TMG and CUB have experience with project-based HAP properties along with providing these types of services. Cincinnati Scholar House is currently accepting applications to fill all units.

Office of Housing Counseling

Overview

Through the Office of Housing Counseling (OHC), HUD supports a national network of nonprofit and government housing counseling agencies. These agencies provide tools to current and prospective borrowers and renters so that they can make responsible choices to address their housing needs.

The Housing Counseling Program is authorized by Section 106 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701x). The network consists of about 1,700 housing counseling agencies trained and approved to offer guidance to current and prospective homeowners and renters to help them make informed housing decisions. By counseling consumers on basic principles of housing and money management, HUD-approved housing counselors show consumers ways they can increase their residual income and savings, improve their housing conditions, understand mortgage credit, and give them greater stability and confidence. Housing counselors also serve as a gateway to state, local, federal and private housing assistance programs and provide an important safeguard against discrimination, scams, and fraud.

HUD Awards \$49 Million in Housing Counseling Grants

In fiscal year 2020, HUD awarded \$49.2 million in housing counseling grants to help approximately one million Americans make more informed housing choices, keep their current homes, or receive assistance to help them avoid foreclosure. These grants will directly support the housing counseling services provided by 224 HUD-approved local housing counseling agencies, national and regional organizations, and state housing finance agencies. Region V directly received \$6.2 million of the grant award for 31 housing counseling agencies in Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin.

New Housing Counseling Agencies in Region V

Seven new agencies became HUD-Approved Housing Counseling Agencies in fiscal year 2020. They are:

- Consumer Credit Counseling Service of Norther Illinois in Woodstock, IL;
- Advantage Housing Inc., Kokomo, IN;
- Habitat for Humanity Oakland County, Pontiac, MI;
- Monroe County Opportunity, Monroe, MI;
- Model Cities of Saint Paul, Inc., Saint Paul, MN;
- El Centro de Servicios Sociales, Lorain, OH;
- City of Wausau, Wausau, WI.

The Housing Action Illinois Annual Conference Engages Housing Counselors and Housing Advocates Across the Country to Make Communities Stronger, Healthier, and More Equitable

Housing Action Illinois' annual conference went virtual and national in October. Housing Action partnered with the National Alliance of Community and Economic Development Associations (NACEDA) to bring the annual Housing Matters! Conference as part of the Strengthening Resilient Communities forum. The Illinois conference highlights included a keynote address from State Representative Delia Ramirez; workshops on how Covid-19 is impacting architecture and design and working with landlords to provide reentry housing; and Congresswoman Robin Kelly hosted a panel discussion on preventing foreclosures.

The Strengthening Resilient Communities forum featured a keynote discussion with Dr. Ibram X. Kendi, author of *How to Be an Antiracist*, and an address by Deanna Van Buren, Design Director and Co-Founder of Designing Justice + Designing Spaces.

OHC Host Housing Counseling Certification Meeting for Chicago-Area Housing Counselors in March

On March 10, 2020, Lorraine Griscavage-Frisbee, Deputy Director with the Office of Outreach and Capacity Building, and Cheryl Lombré, Housing Specialist with Office of Oversight and Accountability collaborated with the Regional Director's Office to provide information regarding the Housing Counseling Certification process at the Chicago HUD Regional Office. Regional Director Joseph P. Galvan also addressed the group at the meeting. Approximately 30 representatives from local housing counseling agencies and Housing Action Illinois participated in the training.

Office of Public and Indian Housing

Chicago PIH Participates in the 2020 Virtual NAHRO Conference

At the 2020 North Central Regional Council (NCRC) of the National Association of Housing and Redevelopment Officials (NAHRO) virtual conference, finance staff of the Illinois Office of Public Housing teamed up with Office of Community Planning and Development to cover CARES Act funding in a separate conference break-out session.

The PIH team spearheaded the CARES Act plenary session and coordinated with CPD. PIH staff addressed CARES Act Program Waivers and Supplemental Funding eligible expenses for Operating

Subsidy, HCV Admin Fees and Housing Assistance Payments (HAP). The presentation continued with a discussion of CARES Act CPD Grant Funding including homeless programs, formula funding and the Continuum of Care, Emergency Solutions Grants and Housing Opportunities for Persons with AIDS (HOPWA) “mega-waivers.” At the conclusion the team spent time answering the many questions that attendees had.

Chicago Presents HUD’s COVID Guidance at IAHA Virtual Conference

At a similar virtual convening with the Illinois National Association of Housing Authorities (IAHA), staff of the Illinois Office of Public Housing representing Finance, Portfolio Management and Engineering presented on CARES Act Funding and HUD’s COVID guidance, the Eviction Moratorium and Repayment Agreements and Facilities Management including Emergency Preparedness, Operational Concerns and Resident Health.

East St. Louis Project

The Chicago PIH office is especially excited about the Forest Blvd New Development site. It is located on seven lots in the 4200 and 4300 blocks of Forest Boulevard (between 42nd and 44th Streets) in East St. Louis, Illinois.

This new development includes the new construction of approximately seven affordable family public housing units consisting of two-bedrooms within building types and elevations compatible with East St. Louis and the surrounding neighborhood architecture. Units are envisioned to be contained in new single and duplex buildings in the style of the existing Forest Village buildings. The energy efficient building design features will incorporate provisions of Energy Star Certified Homes National Program Requirements Version 3.1.

One 2-bedroom shall be a fully compliant accessible unit and shall comply with Uniform Federal Accessibility Standards, Section 504 of the Americans with Disabilities Act, and applicable codes, ordinances, and regulations of the City of East St. Louis and the State of Illinois. This unit will provide accessibility for the mobility impaired as well as accommodation for the hearing and visually impaired with appropriate associated handicap parking. All units shall be visitable to the extent possible.



HUD Headquarter Staff and Chicago Present on 2-Year Tool at HUD Partner Forum

Public Housing Units in Region V	
State	Number of Public Housing Units
Illinois	44,838
Indiana	12,595
Michigan	20,791
Minnesota	15,843
Ohio	39,892
Wisconsin	10,667
Total	144,626

Region V Special Purpose Vouchers (SPVs)				
State	Mainstream	Family Unification (FUP)	Non-Elderly Disabled	VASH
Illinois	1,009	1,697	1,295	2,655
Indiana	414	97	901	1,304
Michigan	896	645	1,020	2,062
Minnesota	1,292	109 (FY19)	0	28 (FY19)
Ohio	2,429	788	5,485	2,636
Wisconsin	446	312	345	1,241
Total	6,486	3,648	9,046	9,926

Office of Native American Programs

HUD-VASH



Section 184

Section 184 Loan	
Illinois	\$985,145
Michigan	\$12,191,816
Minnesota	\$8,976,435
Wisconsin	\$7,160,097
Region V Total	\$29,313,493

Indian Community Development Block Grant (Eastern Tribes)

Tribe	Project	Amount Funded
Choctaw Housing Authority	Housing Rehab	\$900,000
Aroostook Band of MicMac	Housing Rehab	\$900,000
Houlton Band of Maliseet	Renovation of Community Center	\$900,000
Mashpee Wampanoag	Community Center	\$900,000
Upper Mattaponi	Housing Rehab	\$900,000

Region V Awarded \$5.4 Million in Indian Community Development Block Grant Funds

HUD awarded nearly \$120 million in Indian Community Development Block Grant (ICDBG) awards to Tribes nationally, including \$5.4 million to six communities in Region V. The ICDBG program provides funding to use in developing American Indian and Alaska Native communities, including decent housing, a suitable living environment, and economic opportunities, primarily for low- and moderate-income persons. Each Tribe in Region V was awarded \$900,000 for the following projects:

MICHIGAN

- The Bay Mills Indian community will construct a building for the Boys & Girls Club in Brimley for afterschool activities and tutoring services.
- The Hannahville Indian community will complete an infrastructure project for a new housing development that will involve installing a water mainline, wastewater pipes, electrical lines, gas lines, and building a roadway.
- The Lac Vieux Desert Band of Lake Superiors Chippewa will construct three homes for sale to tribal residents. Proceeds of the sales will be used to build additional homes for sale in a revolving fund process.

MINNESOTA

- The Fond du Lac Tribe will construct a water tower to improve the storage of potable water, the water pressure, and fire protection for 140 homes.
- The White Earth Nation will build a childcare facility that will replace the current one and accommodate an additional 26 children who are on the waiting list.

WISCONSIN

- The Lac Courte Oreilles Band of Lake Superior Chippewa Indians will rehabilitate 50 homes that includes repairing and replacing roofs and installing energy-efficient windows.

Oneida Nation in Wisconsin Awarded Tribal HUD-Veterans Affairs Supportive Housing Funding

Midwest Regional Administrator Joseph P. Galvan presented a ceremonial check for nearly \$141,000 to the Oneida Nation of Wisconsin. The funding comes from the Tribal HUD-Veterans Affairs Supportive Housing (Tribal HUD-VASH) Program, a demonstration that combines HUD rental assistance with U.S. Department of Veterans Affairs case management and clinical services. HUD renewed \$1.1 million in grants across the nation to nine tribes and tribally designated housing entities that provide housing and supportive services to Native American veterans who are experiencing or are at risk of experiencing homelessness.

Oneida Nation Vice Chairman Brandon Yellowbird-Stevens and veterans Kerry Metoxen and Thomas Webster joined him at the presentation. The Oneida Nation was designated as a Purple Heart Reservation in May 2019, making it only one in a handful of tribes with this distinction.



Office of Healthcare Programs

The Office of Healthcare Programs (OHP) is located within the Office of Housing and administers FHA's healthcare programs, the Section 232 Mortgage Insurance for Residential Care Facilities program and the Section 242 Mortgage Insurance for Hospitals program. Both programs enable the affordable financing and refinancing of healthcare facility projects nationwide.

FHA's healthcare programs are integral to HUD's community development mission. By reducing the cost of capital needed by hospitals and residential care facilities to finance the construction, renovation, acquisition, or refinancing of facilities, these programs improve access to quality healthcare and work to decrease overall healthcare costs.

The **Office of Healthcare Programs (OHP)** is comprised of three separate offices:

- The Office of Residential Care Facilities (ORCF) administers the Section 232 program, which provides FHA mortgage insurance for residential care facilities such as nursing homes, assisted living, and board & care facilities. Most OHP staff in field offices are employees of ORCF.
- The Office of Hospital Facilities (OHF) administers the Section 242 Program, which is responsible for providing FHA mortgage insurance for acute care hospital facilities ranging from large teaching institutions to small rural critical access hospitals.
- Office of Architecture and Engineering (OAE) provides architectural and engineering expertise to both the Section 242 and Section 232 programs.

The **Office of Residential Care Facilities (ORCF)** has staff not only in Headquarters but also in numerous field offices around the country. Those staff members in field offices are, however, out-stationed *Headquarters* employees.

OHP is managed by a Deputy Assistant Secretary and Associate Deputy Assistant Secretary. Those individuals are:

- Deputy Assistant Secretary of OHP – Roger Lukoff
- Associate Deputy Assistant Secretary of OHP – Roger A. Lewis

ORCF is led by an office Director and three division directors covering Production, Asset Management, and Policy, Risk Analysis and Lender Relations. The organizational structure is comprised of the following individuals:

- Director, Production – Tim P. Gruenes
- Deputy Director, Production – Susan Gosselin
- Director, Asset Management – Philip Head
- Deputy Director, Asset Management – Rita J. Dockery
- Director, Policy, Risk Analysis and Lender Relations – John M. Hartung

Additionally, there are two other key staff members who help support the mission of the ORCF Program. The Credit Risk Officer analyzes high-risk proposals, including large individual loans (refinances), new

construction projects, and portfolios of multiple loans with the same Owner/Operator totaling more than \$90 million (concentrated risk). The Operations Manager leads a team that ensures the procurement, financial and records reporting, as well as ORCF's systems technology, leverages and supports the needs of ORCF and the program staff. Those individuals are:

- Credit Risk Officer – Jennifer S. Buhlman
- Operations Manager – Nicole M. Johnson

U.S. Department of Housing and Urban Development Office of Healthcare Programs Office of Residential Care Facilities Total Projects and UPB for Region V Data as of 11/30/2020			
Nationwide (ORCF)	3,883	525,408	\$32,902,422,049
Region 5			
State	Projects	Beds	UPB
Illinois	283	46,035	\$2,659,433,593
Indiana	139	18,626	\$1,018,288,450
Michigan	121	15,273	\$839,388,498
Minnesota	91	11,946	\$825,298,634
Ohio	323	41,994	\$2,257,661,016
Wisconsin	79	6,175	\$381,764,953
Total	1,036	140,049	\$7,981,835,143
Percent	27%	27%	24%
Source: iREMS.			

The **Office of Hospital Facilities (OHF)** has staff not only in Headquarters but also in numerous field offices around the country. Those staff members in field offices are, however, out-stationed *Headquarters* employees.

OHF is led by an office Director and two division Directors covering Production and Asset Management. The organizational structure is comprised of the following individuals:

- Director of OHF – Geoffrey Papsco
- Director, Production – Paul Giaudrone
- Director, Asset Management – Kathryn Killeen

Additionally, there are two other key staff members who help support the mission of the OHF Program. The Lead of the Hospital Turnaround Team develops strategies to monitor challenged borrowers within the framework of the Regulatory Agreement to avoid loan assignments and claims. The Credit Risk Officer analyzes and reports on trends and the quality of the portfolio and assists in monitoring high risk accounts and underwritings. Those individuals are:

- Lead of Hospital Turnaround Team – Joan Schmiedicke
- Credit Risk Officer – Nick Bacque

U.S. Department of Housing and Urban Development Office of Healthcare Programs Office of Hospital Facilities Total Projects and UPB for Region V Data as of 11/30/2020			
Nationwide (OHF)	93	65	\$6,252,342,806
Region 5			
State	Active Loans	Hospitals	UPB
Illinois	6	5	\$161,448,016
Indiana	1	1	\$236,038,132
Michigan	2	2	\$50,797,283
Minnesota	0	0	\$0
Ohio	2	1	\$70,380,457
Wisconsin	1	1	\$21,510,155
Total	12	10	\$540,174,043
Percent	27%	27%	24%
Source: Federal Housing Administration Subsidiary Ledger (FHASL).			

The **Office of Architecture and Engineering (OAE)** has staff in numerous field offices around the country that are out-stationed *Headquarters* employees.

OAE is led by an Office Director and Supervisory Mechanical Engineer. Those individuals are:

- Director, OAE – Robin Senator, R.A.
- Supervisory Mechanical Engineer- Stephan Thomatos

Additionally our professional staff includes Registered Architects, Professional Engineers, environmental specialists, seismic specialists, and LEED accredited staff typically with decades of experience in managing large healthcare projects who work to support other OHP staff as architectural-engineering technical experts to manage the portfolio from pre-application through final endorsement and asset management.

The **Office of Healthcare Programs (OHP)** has a total staff of 177 individuals comprised as follows:

Deputy Assistant Secretary	4
Office of Residential Care Facilities	137
Office of Hospital Facilities	26
Office of Architecture and Engineering	<u>10</u>
Total	177

OHP Highlights for Region V

Office of Residential Care Facilities Helps Develop Affordable Assisted Living for Seniors: The Office of Residential Care Facilities provides mortgage insurance to develop affordable assisted living housing for Region 5 seniors. In FY19 the Section 232 mortgage insurance program provided financing for a 120 unit assisted living facility in Newburgh, Indiana. Heritage Woods of Newburgh used Section 232 mortgage insurance in conjunction with the Low-Income Housing Tax Credit program to fund the new construction of the property. In addition, the property will use the state of Indiana's Age and Disability Medicaid Waiver program to operate at reduced rent levels for residents. Construction began in June of 2019 and expects to welcome residents in July of 2020.



Office of Fair Housing and Equal Opportunity

FHEO Regional Director, Lon Meltesen



Lon Meltesen was named the new Regional Director in February 2020. Lon joins us from the Illinois Department of Human Rights, HUD's Fair Housing Assistance Program partner in Illinois. There, he started working as a staff attorney in 2000, became its Chief Legal Counsel in 2011, and, most recently, served as its Fair Housing Manager since 2015. The Illinois state agency investigates 350 to 400 cases each year, in addition, Lon has served as an attorney at the Supreme Court of Illinois and at Prairie State Legal Services.

Stacy Sias was named the new Management Program Analyst as of April 2020. She has been in FHEO for 12 years. In her new role she has developed the Exit survey and worked on a team to develop an employee survey for the region. Stacy has developed and coordinated the FHEO Region V Newsletter that has

had two editions in 2020. Additionally, Stacy works closely with FPM to oversee Section 3 compliance and reporting.

Ten New employees were onboarded during the pandemic. She has also streamlined the new hire process for the region during this new norm.

Enhancing & Improving HUD Region V's Enforcement of Civil Rights Protections under Federal Law

During fiscal year 2020, a team inside Region V FHEO's Program Compliance Division began an important effort to improve the Division's effectiveness and efficiency. Using intrinsic motivation as its fuel and the capabilities of HUD digital platforms as its vehicle, this group of frontline employees set about creating a multipurpose, multifunctional tool that took form out of team-generated ideas. The team was primarily focused on developing a tool that could provide up-to-date, searchable information for critical decision making about civil rights compliance matters; memorializing crucial institutional knowledge and best practices that could be lost over time; and creating efficiencies in work processes and assignment tracking. The team's effort has been successful and there are plans for expanding the tool to serve additional needs. Region V FHEO is proud of this effort and thanks the team for its steadfast commitment to strengthening FHEO's mission execution, now and in the future.

National Fair Housing Training Academy

Region V was pleased to report that the New National Fair Housing Training Academy (NFHTA) opened in 2020 and is housed in Region V at the University of Illinois at Chicago, John Marshall Law School, located in Chicago, Illinois. NFHTA provides knowledge, skill, and capacity building opportunities necessary to end housing discrimination in all its forms. The Academy features virtual and in-person

courses and resources for Fair Housing Initiative Program (FHIP) and Fair Housing Assistance (FHAP) staff of all experience levels.

CARES Act Assistance

In response to the COVID-19 pandemic, the CARES Act provided financial assistance to both FHIP organizations and FHAP agencies in Region V to address housing discrimination resulting from the pandemic and to provide resources the organizations and agencies so that they continue operations despite the pandemic. Six Region V state and local FHAP agencies received funding from the CARES Act: The Ohio Civil Rights Commission received \$37,245 for the acquisition of technology and equipment to allow them to operate more effectively in a remote environment; the Indiana Civil Rights Commission received \$55,000 for education and outreach activities and for conducting testing related to COVID-19; the Evansville-Vanderburgh County Human Relations Commission received \$8,634.95 for equipment which will better allow them to continue operations remotely; the Michigan Department of Civil Rights received \$70,000 for COVID-19 education and outreach; the Fort Wayne Metropolitan Human Relations Commission received \$17,810.22 for the acquisition of technology and equipment to facilitate better remote functioning; and the City of Dayton Human Relations Council received \$25,000 for hiring temporary staff to handle COVID-19 complaints and to develop of Phone App to promote education and outreach. Additionally, two of Region V's FHIP organizations received grants under the CARES Act. The Miami Valley Fair Housing Center and the Fair Housing Center of West Michigan were awarded grants under the CARES Act, for \$20,000 each.

This fiscal year, the Intake staff has been able to streamline operations that enabled the work to smoothly transition to 100% remote. The staff successfully and expeditiously processed 2,056 inquiries and filed 398 inquiries. 71.2% of all inquiries were processed in 30 days or less. The Intake Branch now uses the electronic CMS mailing system to mail notification letters to the parties which has automated the process and eliminated the need to mail anything by hand. Also, they have a new system to handle the hotline calls which allows FPM to send emails directly to analysts with the information about the callers. Despite the difficulties and uncertainties of the pandemic, the intake staff has been able to be there to answer any and all questions that complainants have and continuously reviewed complaints for jurisdiction.

By the Numbers

Number of FHIP Grants and Dollar Amount (Total)

- 77 Grants
- \$12,954,101.42
- 14 FHAP Partners
- \$5,910,800 FHAP Payments
- Number of complaints received by category and state

CATEGORIES: Race, Color, National Origin, Religion, Sex, Disability, Familial Status, Retaliation:

Violation State Bases	Illinois	Indiana	Michigan	Minnesota	Ohio	Wisconsin	Total Number of Filed Cases
	Number of Filed Cases	Number of Filed Cases	Number of Filed Cases	Number of Filed Cases	Number of Filed Cases	Number of Filed Cases	
Race	80	61	76	18	105	22	362
Color	2	3	1	1	11	3	21
National Origin	23	8	15	7	14	2	69
Religion	3	1	7	1	5		17
Sex	26	38	29	7	49	11	160
Disability	176	105	145	49	225	54	754
Familial Status	15	24	12	9	38	10	108
Retaliation	36	11	21	4	61	3	136
Total	289	203	252	75	369	85	1,273

Number of completed cases = 221, Conciliations = 85

Office of Davis-Bacon and Labor Standards

The Office of Davis-Bacon and Labor Standards (DBLS) is responsible for HUD's overall compliance with the Federal prevailing wage requirements applicable to HUD-assisted and insured housing and community development programs covered under the Davis-Bacon and Related Acts. Davis-Bacon and Labor Standards also administers Federal prevailing wage requirements applicable to maintenance employees of public housing agencies and Tribally Designated Housing entities.

New Staff

The Region V office is led by Yvonne Matthews, Regional Contractor Industrial Relations Officer. Three Contractor Industrial Relations Specialists (Roxanne Volkmann, Deborah Diez, and Loretta Szweduk) and one Wage Requirement Assistant (Phyllis Bowman) support the office's work across six states in the region. Miguel Garcia, a returned Peace Corps volunteer, entered duty on, September 14, 2020, as a Labor Relations Specialist.

Adjusting to COVID

Due to Covid-19, Yvonne has had to change the way she manages staff resources, assign and review work, and provide service to HUD clients. For the safety and well-being of staff, monitoring of PHAs, grantees, and Tribes has had to be conducted remotely rather than in person. Training has been presented online using various automated platforms such as Microsoft Teams, Zoom, and Adobe Connect. Region

V DBLS staff worked with contractors on the development of an online course in labor standards administration.

2020 Accomplishments:

- On July 29, 2020 DBLS conducted an FPM Learning Circle to explain the work that we perform. The Learning Circle was attended by 115 HUD employees. **During FY 2020 Region V DBLS staff conducted 25 trainings.**
- Region V DBLS staff work closely with Multifamily Housing, Office of Healthcare, and Office of General Counsel staff to ensure DBLS has the necessary information on FHA insured project to provide the applicable wage decision(s) for initial closings and participate in pre-construction conferences. We notify Multifamily Housing and the Office of Healthcare of any problems, which if not resolved, may impact the final closing of projects. **Region V DBLS staff collected \$258,909 in wage restitution for 482 workers on HUD FHA insured construction projects in FY 2020.**
- Region V DBLS shares the results of our monitoring of PHAs, tribes, and grantees with program areas and Field Office Directors. We also notify program staff of upcoming training for PHAs, tribes, and grantees. **During FY 2020 Region V DBLS conducted 20 monitoring reviews.**

Office of Policy Development and Research, Economic and Market Analysis Unit (EMAD)

Overview

Region V EMAD economists analyze and forecast economic and housing market conditions in the Midwest region and around the country. EMAD's analyses are critical to HUD's programs and missions, particularly in the Department's efforts to avoid adverse effects on existing housing supplies, promote affordable housing, and maintain stable housing and mortgage markets.

The Region 5 EMAD team members are: Sam Young – EMAD Regional Director; Gabe Labovitz – Senior Economist; Marissa Dolin, Tomasz Kukawski, and Diana Villavicencio – Field Economists

Region V EMAD Accomplishments FY2020:

Publications

Despite COVID-19, and the ensuing challenges for work travel and office visits, the Midwest EMAD team continued to work at a high level during fiscal year 2020. The Midwest EMAD team produced 18 percent more published reports in 2020 compared to the year prior.

EMAD provides a number of reports and data updates every year. These reports are made available to HUD management and staff, state and local governments, the building industry, the real estate industry, planners, university and other research communities, and the general public. Reports published by Region V economists in the Midwest region are posted on the HUD User website (www.huduser.gov). Highlights from FY20 include:

- 1) [Housing Market Profiles](#) 23 completed (compared to 9 in 2019) — These reports discuss economic activity, population changes, building activity, and sales and rental market conditions in metropolitan areas with a focus on the most recent 24 months.
- 2) [Regional Narratives](#) 6 completed (compared to 5 in 2019) — The narratives are published quarterly for each of HUD's ten regions. Each narrative provides an overview of economic and housing market trends within the region.
- 3) [Market at-a-Glance Reports](#) 137 completed (compared to 123 in 2019) — Reports are available for every Region, State, Metropolitan Statistical Area, Metropolitan Division and County in the country.

[Comprehensive Housing Market Analyses \(CHMA\)](#) 13 completed (compared to 14 in 2019) — These reports are the most in-depth reports on market conditions in a market area and include a 3-year forecast of housing demand.

[FHA Mortgage Insurance:](#)

EMAD assists in the FHA underwriting consideration of applications for new construction and substantial rehabilitation project mortgage insurance. During fiscal year 2020, Region V economists analyzed market conditions and assessed the demand for additional rental housing in 44 housing market areas, totaling \$1.02 billion.

[Data Visualization for HUD Region V Program Offices:](#)

Region V economists also aided HUD program areas in local offices. During fiscal year 2019, EMAD worked on an ad-ho basis with PIH and CPD to provide visualizations of PIC and other HUD-tracked data. EMAD generated maps highlighting occupancy rates for Illinois PHAs.

BBVA USA Regional Partner Summit:

On March 4, 2020, the EMAD Midwest Regional Director, Sam Young, presented the keynote address at the BBVA Bank Regional Partner Summit in Birmingham, Alabama. Attendees represented community development professionals, nonprofits, universities, bankers, and regional partners. Following the keynote, Mr. Young sat on a panel discussing lending opportunities throughout the eastern United States and was followed by the CEO of BBVA, Javier Soler



Office of General Counsel

Closing FHA Insured Loans during Pandemic:

The public health emergency circumstances that arose during 2020 forced the Region V Office of Counsel to hastily prepare and implement electronic closing procedures that enabled the Office of Counsel to continue expeditiously closing multifamily and residential health care facility insured loans. Since the start of the public health emergency, the Region V Office of Counsel closed electronically over 200 transactions with a dollar value of \$3,386,316,332.00.

Ethics:

The Region V Office of Counsel provided advice and counsel to HUD employees on confidential and sensitive issues related to employee standards of conduct, Hatch Act, financial disclosures, and the criminal conflicts of interest under Federal law. The mission of the Region V Office of Counsel has been to ensure that the public perceives HUD as a fair and equitable agency and that every employee acts in accordance with applicable laws and regulations. In this year, the Office has issued over 200 discreet legal opinions to Region V employees and provided training to over 300 employees.

Home Equity Conversion Mortgages:

Region V Office of Counsel's efforts in defending the Department in Home Equity Conversion Mortgages ("HECM") litigation resulted in significant changes in how the Department treats surviving non-borrowing spouses. Four Federal District Court cases were filed to protect the interests of non-borrowing

spouses in assigning the HECM to HUD after the death of the borrowing spouse. Under HUD's then-policy, the insured lenders sought to foreclose under the HUD guidance ML-2015-15, which required the non-borrowing spouse to report the death of the borrowing spouse and request that the bank seek assignment of the HECM to HUD inventory within a fixed time period. If the non-borrowing spouse did not report the death within the time frame, the insured lenders were required to initiate foreclosure. After the court indicated that HUD was likely to lose its cases, counsel reached out the FHA Commissioner to seek a policy change which ultimately resulted in HUD reaching settlements with the nonborrowing spouses that allowed for the dismissal of the foreclosures and allowed the non-borrowing spouses to remain in their homes. As the result of the litigation and settlement new policy was issued in ML-2019-19, in which the FHA commissioner removed the time limitations that severely penalized non-borrowing spouses. Through the advocacy of Region V attorneys for a change to the mortgagee letter foreclosure actions which would require non-borrowing spouses to leave their homes have been mitigated. Further, as most of the non-borrowing spouses were represented by Legal Services, additional litigation was avoided in this jurisdiction and throughout the country.

Fair Housing: The Region V Office of Counsel charged two fair housing cases during the past year:

HUD (Olkowski) v. Vandelay Group, LLC, FHEO 05-18-0486-8: a property owner and his management company discriminated against the Complainant based on the Complainant's disability and need for an assistance animal. The property manager asked the prospective tenant to test the prospective tenant's assistance animal for allergens, revoked access to an offered lease, denied a reasonable accommodation request for an exception to the property's no-pets policy, and as such, failed to make housing available.

HUD (Bradach) v. Hammett FHEO 05-19-3080: a mobile home park owner for disability discriminated when rental to a man who used assistance animals to treat physical and mental health conditions related to a traumatic brain injury was denied because of the assistance animal's breed and because of the owner's refusal to acknowledge a legal obligation to accommodate both assistance and service animals.

Favorable Fair Housing Resolutions: *USA v. Dally*: 19 CV 2087 (District of Minnesota):

In December of 2020, the Department received a favorable resolution (\$23,500.00 to the aggrieved) in an election case that alleged disability discrimination under the Fair Housing Act. The case concerned the denial of a prospective tenant's request for a reasonable accommodation of a no-pets policy, a policy that denied the Complainant's high school daughter the company of her assistance animal (cat).

USA v. Gorecki, et al.: The Department received a favorable resolution in an election case. The landlord allegedly refused the Complainant's request to allow an assistance animal for the Complainant's disabled child and ultimately the landlord evicted the Complainant and family. The landlord ultimately settled by entering a consent order requiring a monetary payment of \$33,000.00 to Complainant, as well as other injunctive reliefs.

Recoveries for the Federal Government:

The Chicago Office of Regional Counsel has recovered for the Federal Government through debt collection activities involving Title I delinquencies and due and payable partial claims in the amount of

\$627,742.00 and through judicial action to obtain surpluses remaining from the sale of foreclosed properties in the amount of \$80,634.00.

The Departmental Enforcement Center

Chicago DEC Staff Fly to Atlanta for New Financial Analyst Training

New staff from the Chicago DEC office flew to Atlanta to participate in the financial analyst training organized by headquarters. For two and half days, the Chicago team joined new analysts from around the country to learn the basics of financial analysis. Brad Adams, a supervisory analyst from the Chicago office, joined new staff to conduct part of the training. Staff walked away with

Cape Cod Village Apartments

Analyst, David Hughes and Supervisory Analyst, Jadranka S oversaw the repayment of \$103,083 of unauthorized surplus cash from Cape Cod Village, LLC. The Project is located in Morton, Illinois and consists of 200 market-rate units serving individuals and families.

The Project consists of 200 market-rate units, serves individuals and families, and is located in Morton, Illinois. As a direct result of the DEC's efforts, the Owner repaid December 31, 2019 negative surplus cash of \$103,083 on August 7, 2020. After receiving documentation evidencing the repayment of the unauthorized distributions, the DEC noted that the funds were repaid to an account used for trading stocks. After further communications with the Owner, it was discovered that operating funds and TSD were commingled in this account. On September 2, 2020, the Owner sold his interests in this account and transferred the Project's operating funds to the Project's operating account and set up a fully funded, segregated TSD account with a balance of \$76,692. Dave Hughes is the analyst for this case and he worked with his supervisor, Jadranka Schechinger, to ensure compliance.

Snapshot: Jackson County Housing Authority

The Chicago DEC office was referred a snapshot review of the Jackson County Housing Authority (JCHA) which was completed during mandatory telework. The review was conducted remotely by Joe Batiller, Michael Byzewski and Karone Head. The team communicated with various cylinders within HUD such as the Detroit Office of Public and Indian Housing (PIH) and PIH's Office of Voucher Programs, Financial Management Division in HQ and interviewed external actors like the JCHA Executive Director, Honeywell, a third-party utility expert, the JCHA's former fee accounting firm, and the local electric service provider. The DEC found that the JCHA did not accurately report actual annual consumption levels, three-year rolling base consumption levels, or actual electricity, natural gas, and water and sewer costs for funding periods 2015 through 2017 in accordance with 24 CFR §§990.170,

990.175, and 990.180 on form HUD-52722, the Operating Fund - Calculation of Utilities Expense Level ("52722").

The team ultimately used their data to replicate HUD forms 52722 and 52723 to calculate overpaid subsidy. PIH was so impressed with the DEC's understanding of the calculation components, that a follow up snapshot referral was made requesting the DEC perform the same analysis for 2018 to date. Using the spreadsheets created by the DEC team and the replicated 52722 and 52723, the second snapshot review will be more efficient and less time-consuming. In other words, it will be a 'snap.'

Office of Inspector General

Overview

The U.S. Department of Housing and Urban Development (HUD) Office of Inspector General (OIG) is one of the original 12 Inspector General authorized under the Inspector General Act of 1978. Over the year, we have engaged with HUD personnel in recommending ways to improve departmental operations and addressing program abuses. They strive to make a difference in HUD's performance and accountability by focusing their efforts on preventing abuses, mitigating exposure to the Department when frauds are discovered, and finding solutions to preventing abuse, mitigating exposure to the Department when frauds are discovered, and finding solutions to prevent recurrence.

Office of Investigations

The Office of Investigation plans and conducts investigations that vary in purpose and scope and may involve alleged violations of criminal or civil laws, as well as administrative requirements. The focus of an investigation may include the integrity of programs, operations, and personnel in agencies at federal, state, and local levels of government program, procurement, and grant fraud schemes; mortgage fraud, rules, regulations, and policies.

Relative to the HUD Office of Inspector General, Office of Investigations, Region V currently has offices in Chicago, Detroit, Columbus, Indianapolis, and Minneapolis.

2020 Highlights:

A father and son, Sergio Garcia, Sr. and Sergio Garcia, Jr., were sentenced in U.S. District Court to a total of 88 months imprisonment and 3 years supervised release. The duo were also ordered to pay a total of \$500,454 in restitution, with \$496,389.79 due to HUD and the rest due to the victims. The Garcias were sentenced following their earlier guilty pleas to conspiracy to commit mail fraud. The two conspired with others to contract with HUD to buy hundreds of HUD Real Estate Owned homes (REOs) across two states and sell them for a profit on the same day as purchase. The purchase contracts provided to HUD stated that they or one of their businesses were purchasing the properties as investors and would pay with cash or use other financing not involving FHA. The conspirators used fraudulent letters to show that they or their company had access to the funds needed to complete each purchase.

Once under contract to purchase homes from HUD, the conspirators advertised the homes for subsequent resale and placed their own For Sale signs at the homes. When the conspirators could not find a subsequent purchaser to buy the homes, they allowed their purchase contracts with HUD to expire and

filed false liens on the homes for the full purchase price, thus impeding HUD's ability to sell the homes to other interested buyers. The Garcias filed such false liens on 87 REOs, delaying HUD's sales of those homes and leading to a loss of value of almost \$500,000 in the eventual sales. HUD OIG and the Federal Bureau of Investigation conducted this investigation.

Ira Davis, a recruiter; Henry Florez, an investor; and Michael Rogers, a loan officer, were sentenced in U.S. District Court in relation to their earlier guilty pleas to bank fraud. The three were sentenced to a collective 36 months incarceration and 8 years supervised release and ordered to pay a total of \$3,465,627 in restitution to HUD. Over a course of two years, Davis, Florez, and Rogers submitted or caused to be submitted false representations to financial institutions regarding the sales price of properties, the source of the down payments, and the amount of sales proceeds. This false information on real estate contracts, loan applications, and HUD-1 settlement statements allowed the trio to assist individuals in qualifying for FHA loans and purchase 16 properties, for which they otherwise would not have qualified. The loss to HUD for the loans is approximately \$3.4 million. HUD OIG conducted this investigation.

Cynthia Waight, former housing program manager of a non-profit community resource center for adults with serious mental illnesses, was sentenced in State District Court in connection with her earlier guilty plea to identity theft and theft by swindle. Waight was sentenced to 12 months of incarceration, 120 months probation and ordered to pay \$136,543.84 in restitution to the non-profit, 11 individual victims, and others. Over a span of 15 months, Waight created and submitted falsified applications for housing assistance on behalf of fictitious clients of the non-profit. Once the funds were made available, Waight created, endorsed, and cashed 99 checks issued to the fictitious clients totaling almost \$100,000, which she then used on gambling ventures at a casino. HUD OIG conducted this investigation.