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for Affordable Housing

Message from the President

First of all, a special “Thank You” to all of the CCAH Board and membership for helping us make 2015 a wonderful success and participating in our 2015 Annual Meeting & 30th Anniversary celebration! The 2015 Annual Meeting and Celebration Committee, headed up by Scott Alderman, did an outstanding job and presented many exciting topics and excellent speakers, along with time for attendees to have some fun while networking as well. We had more than 200 members and participants in attendance and 22 exhibitors. We never want to overlook our many sponsors and exhibitors because without them we could not possibly provide the excellent meetings and training that we have each year. We are grateful to all for your support!

Next, I would like to recognize and give a special welcome to our three new Board Members: Shannon Poe, Savannah Simenot, and Sherre Whitley.

As always, CCAH provided several opportunities for training in 2015. In conjunction with the general sessions of the Annual Meeting, CCAH offered a Properties Training and Education (PTE) session. Attorney Toni Grace from Blanco Tackabery conducted the day-long training on interpreting your lease—Landlord Tenant Training. The most recent training was for site managers and maintenance technicians. The presenters—attorney Will Brownlee, Brownlee Law Firm, and Russ Griffin, NCHFA—did an outstanding job.

The Annual Meeting and Education committees are busy planning the 2016 Annual Meeting. You will not want to miss it, so watch for more details! The planning committees welcome your input on ways we might improve our conference as well as any suggestions for topics you might want to hear discussed at the meeting or in the PTE sessions. This is YOUR meeting, and we want YOUR participation. Please send any suggestions you may have for topics for the CCAH Annual Meeting to Erica Vernon, Annual Meeting Committee Chair, at evernon@brccpa.com. If you would like to suggest topics for properties training, you may send those to Shannon Poe, Education Committee Chair, at shannon@unitedmgtii.com.

We are pleased that everyone seems to enjoy Myrtle Beach Marriott Grande Dunes Resort as the venue for our Annual Meeting. That is why we continue to book this resort for future meetings. We are currently booked there through 2019.

Mark your calendars now for the 2016 CCAH Annual Meeting and Conference and SAVE THE DATE: **April 24-26, 2016**. Time is flying by, and it will be here before you know it. You don't want to miss the exciting things we have in store for you!

Thanks again to everyone for making 2015 a very successful year! I'm excited about working with you all again on the upcoming 2016 event, which will be another great one, so please plan to attend!

Fran Whittenton, President

2016 Annual Meeting

The Annual Meeting Committee has been hard at work developing a training program that would be beneficial to our membership and make the 2016 CCAH Annual Meeting one you would not want to miss!

We are excited to announce that A.J. Johnson, a nationally recognized speaker, will be joining us for a tailored property management training session. Topics will include intermediate and advanced on-site compliance issues relative to the Low Income Housing Tax Credit Program.

We will also host a panel of the housing agency representatives (RD, State Housing, and HUD) to provide the annual update and allow members to stay abreast of current regulatory matters while having a voice in the industry.

New to the agenda in 2016: How the Internet is playing a larger role in affordable housing. Understanding its impact is important to your business. Luke Wolter, formerly a general manager at AOL and Yahoo, will provide actionable tactics for you to effectively manage the Internet.

For housing professionals, stress is often a given. This year's keynote speaker will be someone with an inside perspective of our industry. Karen Perry, a developer and certified professional coach, will provide insight on effective stress management techniques. Come discover the benefits!

We continue to encourage your input regarding subject matter you would like to hear discussed and/or questions you might have for our representatives who will be present at the meeting. Please email me at evernon@brccpa.com if you have any suggestions or questions.

Thanks and we look forward to seeing you at the beach in April!

Erica Vernon
Chair of the Annual Meeting Committee

New Year, New Life for Lisa Prevatte Ryan

Lisa Prevatte Ryan has been a dear friend to many CCAH members. Lisa worked for many years in the affordable housing industry as well as served on the CCAH Board of Directors for six years.



For the past eight years Lisa has battled Lymphangioliomyomatosis (LAM), a progressive disease that results in cystic destruction of the lungs. She managed on oxygen therapy 24/7, but in 2015 her breathing capacity diminished to the point that a lung transplant remained her best—her only—option.

On Sunday, January 10, 2016, Lisa received a double lung transplant in a 9-10 hour surgery at Duke Hospital in Durham, NC. Our last report indicates that Lisa tolerated the surgery and is currently in ICU but will be transferred to a regular hospital room until she's released.

Lisa's medical insurance will not cover the entire cost of the transplant. Lisa will need to pay \$12,000-\$15,000 out of her own pocket. She has set up a "Go Fund Me" page at <https://www.gofundme.com/k8hb1dy4> for donations. You can donate in your own name or anonymously. All prayers, good thoughts, and donations are gratefully accepted.

If you would like to know more about LAM Disease, click on the link below.
<http://www.thelamfoundation.org/what-is-lam>

Education Committee Report: Upcoming Training Events

August 2016 Embassy Suites Concord, NC (Date & Time TBD)

Low-Income Housing Tax Credits, Year 15 and Beyond - This training will be geared toward upper management, owners, and developers.

Trainer: Tim Smith, CPA and Partner, Bernard Robinson & Company, LLP

Tim is an audit and accounting partner and has more than 25 years of experience. He provides services to various affordable housing clients, governmental entities, owners, developers, and management companies. He has in-depth experience advising clients on a variety of accounting, auditing, and general management matters. He holds a bachelor of science degree in business administration from the University of North Carolina-Chapel Hill.

October 2016 Winston-Salem, NC/Smithfield, NC/Columbia, SC (Dates & Times TBD)

Fair Housing Update - This training will center on the day-to-day Fair Housing issues for regional managers, site managers, and maintenance.

Trainer: Will Brownlee, Executive Director and General Counsel, Apartment Association of North Carolina

Will is an attorney licensed in North Carolina and South Carolina and is the founder of Brownlee Law Firm, PLLC and co-founder of Loebsock & Brownlee, PLLC. His firms have represented thousands of clients in eviction cases each year as well as fair housing disputes, regulatory issues, lease drafting, and corporate and business litigation. Mr. Brownlee has served the apartment industry for the last 18 years, including serving on the AANC Board of Directors and as author of the AANC Lease and Legal Handbook. He holds degrees from The Citadel and the N.C. Central University School of Law.

Be on the Lookout: We're Launching a New Website

By the end of January, we will be launching our new and improved website. The Board has been working extremely hard on the design and content in order to provide the most benefit to our members. Look for an email blast once it is live!

Reminders

- **2016 Membership Renewals** are due January 31, 2016. Renewals were mailed in December 2015.
- **2016 Electronic Leases** may be purchased now. For those of you who use the electronic leases, your 2015 lease ran out as of December 31, 2015.

Board Note: If you would like to become more involved with CCAH, please send an e-mail to the CCAH Office (ccahboard@aol.com). We are always eager to hear from our members concerning training, newsletter articles, and issues concerning the affordable housing industry. We are happy to hear from you!

Washington Report

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Governmental Relations & Public Affairs Consulting Since 1981

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January 22, 2016

Congress is settling in for the short haul—the House is scheduled to be in session only 111 days this year and the Senate up to 140 days—with modest hopes and low expectations of accomplishing much in this last year of the Obama presidency.

After a successful first session of the 114th Congress in 2015, at first thought it seems like 2016 should be a quiet year for the affordable housing industry in Washington, but that is not the case.

Last year, our most persuasive and powerful success was having the nine percent LIHTC minimum credit for new construction and rehabilitation made permanent, even though the four percent minimum floor for acquisition remains a work in progress with only an outside chance for accomplishing this year.

But in addition to the LIHTC victory, the HOME program, facing what amounted to extinction, survived at \$950 million (down from a 2004 program high of \$2 billion), and program-threatening problems with Section 521 rural rental assistance related to funding and contract renewals were finally resolved, after much work, in the omnibus appropriations bill.

This year, first off, the elections—that is, control of the White House and the Senate—will affect what happens in 2017 and beyond with tax reform, program funding, and policy priorities. Tax reform, other than perhaps a run at modifying international corporate tax policy, is off the table for this year. But later in January the House Ways and Means Committee Republicans have a retreat scheduled where they will begin to craft the basics of what reform might look like in the next Congress. The Senate Finance Committee chairman has also said he intends to start discussion drafts for a re-write of the code.

The LIHTC, as demonstrated by our success with the nine percent permanency, enjoys strong bipartisan support. But even if it is not specifically targeted in tax reform, “tweaks” to the Credit program and/or lowering rates or moves toward some manner of a flatter tax have obvious and serious implications for us.

The presidential race, probably more so than in most years, will force a whole lot of the country into agonizing choices between personal and business priorities.

There is no plausible path for the Democrats to re-take the House where the Republicans have their largest majority since 1929, but the Senate is very much in play, just as it will be, in reverse, two years from now.

This year the Democrats need a net gain of five seats, four if the next vice president is also a Dem, to control the Senate. Republicans are defending 24 seats and the Democrats only 10. Six of the seats currently controlled by Republicans are in states that were carried twice by President Obama.

This, however, reverses itself in 2018 when 25 Democratic seats are up and only eight Republican-controlled seats are in play.

At some point between now and November 8, rental housing affordability may get some attention in the presidential campaigns, but not much so far.

After an uneventful New Hampshire housing summit on rental affordability and home ownership last fall that attracted seven candidates, one aide walked an unidentified candidate to the car and, as the story goes, said: “I have no idea what you were talking about.” The candidate replied, “Neither did I.” And, point made.

For the record, among the senators running (or who ran) for president, only Bernie Sanders is a co-sponsor of S. 1193, the legislation making the 9% and 4% floors permanent. And former Maryland Governor Martin O’Malley (D) has recommended doubling the amount of LIHTC authorization.

GAO and Beyond

The LIHTC program has received generally top mark reviews in various reports over the years, but any new study rightfully creates anxiety. Two more General Accountability Office (GAO) studies, both requested by a Republican member of

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Senate Finance Committee, are expected to be released this year.

One will use case studies to evaluate the administration of the LIHTC program by the various state agencies. The other topic for the watch-dog agency is the role of syndication and development costs in the program.

Last year, in the first of three reports, GAO criticized the IRS oversight of the Credit program as “minimal.” But the report did not question the underlying LIHTC program itself. GAO did, however, recommend that Treasury and HUD jointly administer the program, an idea challenged by the industry and generally ignored in Congress.

The Section 521 rural rental assistance program is reportedly also on GAO’s schedule for review this year. That will be interesting.

And this year most of us expect an acceleration of Fair Housing, ADA, disparate impact, and other complaints and investigations (DOJ) of affordable housing properties.

In Congress This Year

President Obama will send his final budget recommendations to Congress on February 9. The two-year budget agreement reached on the Hill last year means that funding levels for FY 2017 should remain close to this year’s numbers, but there will be programmatic battles, some of which could involve affordable housing.

House Speaker Paul Ryan (R-Wisconsin) once again has high hopes of passing all 12 individual appropriations bills, rather than the usual year-end omnibus package. The Senate, however, is less certain, or ambitious, that it can pass all separate bills.

There will be the usual chatter about GSE reform, but that was never in the cards for 2016, and language in last year’s catch-all funding further guarantees nothing will happen this year.

There are numerous housing bills floating around Congress, and Representative Jeb Hensarling (R-Texas), chairman of the Financial Services Committee, has called for recommendations for restructuring HUD and the delivery of housing resources.

The committee also maintains a sharp interest in rural housing programs, specifically the idea of transferring RD housing programs to HUD.

Nothing very major will happen this year, but the gears are in motion. One bill, H.R. 3700 by Rep. Blaine Luetkemeyer (R-Missouri), chairman of the subcommittee on Housing and Insurance, was reported out of the full Financial Services Committee with bipartisan support.

Representative Luetkemeyer says, “My legislation lays the groundwork, for the first time in many years, to institute reforms to the programs and processes” at HUD and USDA. He continues, “As I have said before, this legislation represents the first step in housing policy modernization”

The bill would make several changes to HUD programs related to income calculations and limits, give additional authority to PHAs to create replacement reserves, change utility reimbursements, and more.

The (two) rural provisions would (1) statutorily establish the Multifamily Preservation and Revitalization program that has been operating as a demonstration and (2) allow RHS to delegate its Section 502 loan guarantee authority to certain preferred lenders.

Carolinas Council for Affordable Housing

State Council Membership Renewal or Application
Membership Renewals due: January 31, 2016

The greatest benefit of becoming a Carolinas Council for Affordable Housing (CCAH) member is that you become a part of a diverse group of business people who are involved in all aspects of the affordable housing industry in the states of North and South Carolina. CCAH membership includes owners, developers, management companies, equity companies, accountants, attorneys, and nonprofit agencies as well as companies that supply goods and services to the affordable housing industry. CCAH provides valuable training in all aspects of the affordable housing industry with reduced attendance fees for members. CCAH is a state-affiliated member of the Council for Affordable and Rural Housing (CARH), the national organization.

PLEASE HELP US UPDATE OUR RECORDS:

Company Name: _____

Contact Name(s): _____

Address: _____

City, State, Zip: _____

Telephone: _____ Fax: _____

Email: _____

Management Company Membership

Membership Dues	\$100.00	\$100.00
Properties Training & Education Fees (remit according to schedule below)*		
1-100 Units	\$150.00	
101-500 Units	\$375.00	
Over 500 Units	\$850.00	
Total Enclosed (Dues + PTE Fees) ►		

Regular Membership Dues Includes: equity companies, owners, developers, builders who do not manage	\$250.00
Associate Membership Dues Includes: architects, attorneys, accountants, vendors	\$250.00

► All CCAH members: Please list your company's web address to be listed on the CCAH website.

Web Address: _____

► Please indicate the number of affordable housing units you own/manage in the states of North and South Carolina. _____

Pay your dues by check or credit card. ► Please make your check payable to CCAH.

► Membership cannot be processed without a payment for the full amount.

* PTE Credit must be used in the year in which it is paid.

► Mail to: CCAH • 388 Cross Point Road • New Hill, NC 27562

Phone: 919-774-7713 • Email: ccahboard@aol.com

Executive Director: Nancy Cross