



CHAPTER 2

GETTING TO KNOW THE MULTI-UNIT HOUSING INDUSTRY

PURPOSE

Learning how the multi-unit housing industry works and what the industry values

OUTCOMES

- Research how subsidized, market-rate, and specialty housing differ
- Assess the multi-unit housing stock in your community
- Promote existing smoke-free multi-unit housing buildings
- Join local trade associations
- Develop talking points to help managers understand that policies protect their financial bottom line

WHY LEARN ABOUT THE HOUSING INDUSTRY?

Most smoke-free multi-housing programs work directly with building owners and managers because those are the people who make the decision to adopt smoke-free policies. It's a strategy that results in positive change faster than working with individual renters.

In order to successfully build relationships with owners and managers, it is important to develop a strong knowledge base of how the multi-unit housing industry works. Your program will have more credibility if you demonstrate your willingness to learn about what's important to your audience. If you approach the housing industry only as a public health professional, you run the risk of appearing uninformed. Your primary focus should be on what is of interest to your target audience (property owners, managers, etc.) rather than first delivering public health messages.

KEY TERMS:

THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD): *Government agency that offers programs to assist renters, managers, and communities with housing needs. The agency administers many housing voucher and public housing programs. HUD has field offices in all 50 states as well as Washington, DC and Puerto Rico.*

HOUSING INDUSTRY TERMINOLOGY



When working with people in the housing industry, it's important to speak their language. Learning the lingo helps you communicate with managers and will make you a credible resource for their needs. It will also help you understand the reservations that managers may have about adopting a smoke-free policy and will allow you to develop appropriate solutions. For instance, if a manager tells you that she believes that a smoke-free policy cannot be adopted because some residents in the building receive vouchers, you will need to understand what "vouchers" are in order to assure the manager that a smoke-free policy can still be successful.

Type of multi-unit housing

- **Owner-Occupied:** Each resident purchases and owns their unit. This includes townhomes, condominiums, housing cooperatives (co-ops), and other homeowner associations. Also known as a Common Interest Community (CIC).
- **Townhome:** Units are arranged in rows or clusters and the units share walls but not floors or ceilings. Townhome owners often own the unit as well as the land under it.
- **Condominium:** Units are usually arranged in a multi-story building and the units share walls as well as the floors and ceilings. The unit owners own the interior area of the unit independently, but the common areas and exterior surfaces of the property are owned jointly with the other condo owners.
- **Housing Cooperative (Co-Op):** Common interest community in which the real estate is owned by an association, each of whose members is entitled to a proprietary lease by virtue of the member's ownership interest in the association. Residents either own shares reflecting their equity in the co-op's real

estate or have membership and occupancy rights in a not-for-profit co-op, and underwrite their housing by paying subscriptions or rent.¹

- **Renter-Occupied:** Units are owned by one person or company; residents pay the owner a fee in order to live in the unit. Often known as an apartment community.
- **Market-Rate Housing:** The rental cost of a unit without any subsidies or financial assistance. The rent rate is based on what analysts believe the market will bear (or the highest price at which a unit can be rented in a particular geographic area).
- **Affordable/Low-Income/Subsidized Housing:** The unit's annual rent costs no more than 30-40% of the household's annual income.²

Type of lease

- **Fixed-Term Lease:** A rental agreement that has specific start and end dates; usually for a period of six months or one year.
- **Month-to-Month Lease:** A rental agreement without a specific ending date. Also known as a Periodic Lease.

Types of rental housing ownership

- **Privately Owned:** Independent owner, company, or nonprofit (i.e., landlord) controls the building operations and collects any financial profits.

COMMON PUBLIC HOUSING ACRONYMS

Public housing agencies go by various titles in different states, but they share the same mission and purpose of providing housing for low-income populations. The agencies might be funded through federal, state, or local dollars. Some public housing agencies own market-rate buildings as well as subsidized buildings (the market-rate buildings might have a Section 8 program). Some public housing agencies do not own or manage any housing. In this case, the agency likely provides subsidies to privately-owned buildings in the area.

- **HRA:** Housing and Redevelopment Authority
- **PHA:** Public Housing Authority
- **CDA:** Community Development Agency
- **EDA:** Economic Development Agency
- **HA:** Housing Authority
- **HC:** Housing Commission

- **Publically Owned:** A building's operations are funded and controlled by a government agency (federal, state, or local). A Board of Directors might be involved in making decisions for the building.

Types of subsidized housing

- **Public Housing:** A building is owned by a government agency (federal, state, or local), usually with the goal of providing affordable housing to low-income residents.
- **Section 8:** A HUD rental assistance program in which a resident pays 30%-40% of his/her

adjusted gross income for rent and the remainder of the rent is paid by the Section 8 program. Some Section 8 are project-based (the subsidy stays with the building) and some are voucher-based (the subsidy moves with the renter).²

- **Housing Choice Voucher:** Rental subsidy is issued in the form of a voucher directly to a renter. The renter can use the voucher in a privately-owned market-rate building as long as the building meets certain HUD requirements. The local Public Housing Authority manages applications for vouchers, authorizes renters to receive vouchers, and distributes the subsidized money to owners of buildings in which vouchers are used.
- **Project-Based Assistance:** This rental subsidy is issued directly to a property so that renters pay 30% of their income as rent and the remainder of the rent is subsidized. Renters only have the subsidy as long as they live in the building and remain income eligible. Project-based housing is usually owned and managed by private individuals or companies.
- **Section 42:** Housing financed in part with the federal Low Income Housing Tax Credit (LIHTC). A federal tax code that benefits individuals or groups that invest in low-income rental housing. Low-income renters at tax-credit properties pay less than the market-rate rent for units.²
- **Section 515:** A program to encourage development of affordable housing in rural areas. The U.S Department of Agriculture offers low-interest loans and grants to property developers to build housing in rural communities if they agree to provide it at affordable rates for a specific term of years. Also known as The Rural Development Program.
- **Indian Housing:** HUD's Office of Native American Programs (ONAP) administers housing and community development programs that benefit American Indian, and Alaska Native tribal governments, tribal members, the Department of Hawaiian Home Lands, Native Hawaiians and other Native American organizations. ONAP's mission is to increase the supply of

safe, decent, and affordable housing available to Native American’s families.

CHOOSING THE RIGHT WORDS

There are many housing terms that seem similar at first but actually have different connotations or meanings. As you build relationships and learn from your local housing industry professionals, you will quickly gain an understanding of how they react to certain phrases. Having an understanding of terminology will also help you to accurately describe your work in your project’s evaluation reports.

- *Resident vs. Renter vs. Tenant*

All of these words refer to people who live in an apartment community. While all of the words are accurate, the housing industry generally prefers to use and hear the word “resident” because it is perceived as a more inviting term. When creating materials for the housing industry, try to refer to their clientele as “residents” in order to match the terminology that they are using.

Throughout this book, we use the term “renter” in order to be clear to our readers who may be unfamiliar with the housing industry; however, when creating materials targeted toward housing industry professionals or people who live in multi-unit housing, we try to always use the term “resident.”

If “resident” doesn’t work in the context you

are writing, try to use “renter” rather than “tenant” since “tenant” tends to have a connotation of someone who lives in a low-income or poorly maintained building.

- *Manager/Owner vs. Landlord*

For many people (in and out of the housing industry), “landlord” no longer carries a positive implication. It often conjures up images of a greedy person who owns a rundown urban building; someone who is only slightly better than a “slumlord.” While “manager” and “owner” don’t seem like creative phrases, they are accurate statements and don’t carry negative perceptions.

- *Building vs. Property*

Neither of these terms have negative connotations, but it’s important to use them accurately. “Building” usually refers to just the physical housing structure while “property” refers to the apartment community’s buildings and outdoor spaces. Properties may be made up of multiple buildings (this can also be referred to as an “apartment complex”). A manager’s “portfolio” refers to all of the properties under control of a particular ownership/management company. A smoke-free policy might cover one or some buildings, but not all of the buildings that are on the property. It is especially important to use the correct term when you are evaluating and reporting your progress. You may want to report how many smoke-free policies cover the indoors of buildings and how many smoke-free policies cover entire properties.



As you build relationships with your local industry professionals, you will learn which terminology they prefer.

- *Public Housing vs. Subsidized Housing vs. Affordable/Low-Income Housing*

These are all appropriate terms, but the meanings are slightly different. For example, an owner of privately-owned buildings may not appreciate his/her building being referred to as “public housing” since the building is not publically owned. An owner who does not receive formal subsidies from a government agency but rents units at a less-than-market price might refer to his/her building as “affordable housing.” As you get to know an owner/manager, you will be able to ask questions that allow you to determine which phrase to use. If you are speaking in generalities about housing for low-income populations, it may be best to use “affordable housing” since that term can cover many types of housing.

ASSESSING YOUR COMMUNITY'S HOUSING STOCK

Working with local governments

There are a few key community members in cities, counties, parishes, and other local government agencies who can help you obtain lists of multi-unit housing properties in your area. If the local government does not keep a full list of housing, you will likely still find value in developing relationships with its staff. These community members can inform you of discussions happening in the community regarding housing and they might be able to distribute your materials to housing managers.

Major community officials such as the mayor, city councilmembers, police chief, and fire chief can often answer questions that you have about your community's housing stock and/or refer you to useful resources. They can tell you how their offices assess the housing stock and if there are any community meetings for property managers or renters. Many of these people are very open to meeting with organizations that are working in their community. Schedule a meeting with them to learn more about the housing in the community.

The best way to solve secondhand smoke migration is to prevent the problem completely by adopting a smoke-free policy during construction

or before the first resident moves in. You can contact your local building office or code enforcement office to see if any developers have applied for a building permit for a multi-unit housing building. That may provide you with a way to reach out to the developer or owner in order to educate him/her on the benefits of adopting a smoke-free policy.

Some local governments keep track of their multi-unit housing stock through departments such as licensing, inspections, and tax assessment. Some communities require multi-unit housing to be licensed and/or inspected, some offer licensing and inspections as an option, and some do not have any capacity for licensing and inspections. If your community licenses and/or inspects multi-unit housing properties, there is a good chance that the department has a list or database of those properties. This information is public data and will be available to you for free or for a nominal fee. If multi-unit housing is licensed or inspected, you can attempt to build a partnership with the local government to distribute your materials to managers during the licensing or inspection process. You can also attempt a public policy strategy that would give discounted license or inspection fees to owners of smoke-free buildings in the community (to learn more about public policy strategies and fee benefits, read chapter 9 “Cultivating Program Sustainability”).



Where to look for information

Working with municipalities can often yield good lists of multi-unit housing, but when a municipality doesn't have what you're looking for, you can search for the information in a few other locations.

- **Mailing lists and databases within your organization:** If your organization works with clients or has previously conducted community-wide research, there may be an existing list of multi-unit housing. Ask other departments and programs—such as home health nurses or the Women, Infants, and Children (WIC) program — if they know how to find that information.
- **Multi-unit housing trade associations:** If you become a member of your local housing trade associations, you may be able to receive lists of

their members. The membership lists might not be a full list of all multi-unit housing in the area, but it will likely give you a good start for your assessment.



- **Rental search services:** The magazines and web sites that renters use to find apartments can also be used to assess the housing stock in your area. Be aware that those services will only list buildings that pay to advertise, so only a percentage of buildings will be represented. Property managers with small marketing budgets, such as affordable housing providers, might be underrepresented.

- **Web searches:** Conducting a general web search of apartment buildings in your area will likely result in a very large list for your staff to compile into useable data. You will have to decide if sorting through the web search results is worth your time. Craigslist can also provide a lot of information on apartments that you can add to your assessment. Many small, independently owned, and affordable buildings can be found on Craigslist since posting on that site is easy and free.
- **Non-profit housing organizations or coalitions:** Local non-profits may collect information

CASE STUDY:

VIDEO TESTIMONIALS

Several smoke-free housing programs have created videos about the benefits of smoke-free policies and the steps to adopting a policy. The videos feature real property managers, renters, and industry experts offering testimonials in favor of smoke-free policies. You can view these videos to hear firsthand about what the housing industry is saying about their interest in smoke-free policies. Here are just a few of the smoke-free housing videos available for you to watch:

- Live Smoke Free (Minnesota)
http://www.mnsmokefreehousing.org/landlords/benefits_video.html
- Smoke-Free Housing Coalition of Maine (Maine)
<http://www.youtube.com/watch?v=qIT9wAvQ20w>
- California's Clean Air Project (California)
<http://www.youtube.com/watch?v=oyt37w562VI>
- Smoke-Free Housing BC (British Columbia, Canada)
<http://www.smokefreehousingbc.ca/video.htm>

If your program has the money and capacity, consider creating a video for your state or region. Videos are an easy way to allow managers to hear from their peers. You can distribute DVDs to managers and play videos during presentations. That way you won't have to worry about having managers and renters with you in person to talk about their experiences with smoke-free policies. Videos don't have to be expensive productions; simple testimonials filmed with a personal video camera can be a powerful tool. No matter how you film your video, be sure to have all participants sign a release allowing you to use their information in your video.

about low-income housing in a specific area, as well as contact info for property managers and owners.

- **Market research firms:** There are many for-profit businesses that collect consumer data with the goal of selling that information to other companies and organizations. You will likely be able to find a firm that collects mailing addresses and other contact information for multi-unit housing buildings in your area. Purchasing information from market research firms can be expensive, so you might want to try some of the above alternatives first.

Local multi-housing coalitions

Housing coalitions are similar to trade associations, but membership is confined to smaller geographic areas. Payment may or may not be required for membership. The coalitions meet regularly to discuss new laws, crime rates, and other issues affecting the housing industry.

There are multi-unit housing coalitions that are organized both informally and formally. Informal coalitions are usually coordinated by a manager of multi-unit properties. That manager simply invites other managers in the area to come together regularly to discuss issues related to multi-unit housing that are happening in their community. These coalitions can be difficult to find because of their informal nature, but you can usually discover them through discussions with property managers.

Formal coalitions are often held through the Crime-Free Multi-Housing Program. The International Crime-Free Association developed the Crime-Free Multi-Housing Program to reduce crime, drugs, gangs, and other illegal activity on apartment properties. Monthly meetings are usually coordinated by a city's police or fire department. In some cities, property managers may be required to attend the meetings as a condition of their license. At first glance, these meetings might not seem to fit your mission of smoke-free policies, but the managers who attend the meetings and the meeting coordinators are often interested in discussing any topic that would benefit multi-unit housing.

Be sure to ask the Crime-Free Multi-Housing

coalition coordinator if your program can present about smoke-free policies at a coalition meeting. Coordinators have to plan multiple meetings throughout the year and are often looking for guest presenters to help fill the time. These meetings are great speaking opportunities because they offer a captive audience to hear your message.

Even if you are unable to present at a coalition meeting, you can reach out to the coordinator and ask if you can get a list of the coalition members. If the coordinator can't give you a list, he/she might be willing to meet with you to brainstorm other ways to assess the housing stock.

Information to collect



As you find ways to add to your assessment of multi-unit housing, you'll want to collect a few key pieces of information about each property:

- The building's name and web site address;
- The building's physical address;
- Specific populations catered to, if applicable (e.g., seniors, students, low-income, etc.);
- The name of the manager and/or management company;
- The name of the owner and/or owner company;
- The number of buildings, units, and renters on the property; and
- Whether or not the building is already smoke free.

Try to brainstorm if there are other pieces of information that you would like to collect before you get too far into the assessment phase. Otherwise, you might find yourself repeating your assessment over and over again.

It is possible that local government staff and housing industry professionals are unable to provide you all of the information that you want to gather; you might be requesting information that no one has tracked before. Or, perhaps you are requesting demographic information that is considered sensitive. Because of company restrictions or state and federal laws, managers commonly resist reporting the exact number of residents in their buildings, especially as it relates to requests about specific populations (e.g. the number of

low-income residents, the number of residents receiving subsidies, the number of families vs. singles or seniors, etc.). Managers might not even be allowed to collect the information themselves due to restrictions in the Fair Housing Act. The restrictions exist in order to protect renters from discrimination, but it also means that some specific demographic information might be unavailable to you.

THE HOUSING INDUSTRY'S INTEREST IN SMOKE-FREE POLICIES

i As discussed in Chapter 1, “The Case for Smoke-Free Multi-Unit Housing,” there are many benefits to owning and managing a smoke-free building:

- The property is protected from costly damage and fires caused by smoking (this saves the manager and owner time and money);
- There is a market demand for smoke-free housing that might attract more renters to the building;
- Residents are protected from the health harms of smoke exposure; and
- Secondhand smoke drifting from unit to unit is eliminated.

As managers continue to adopt smoke-free policies, they talk about the benefits with their peers and the interest in smoke-free policies continues to grow exponentially. As of January 2011, at least 230 public housing authorities across the coun-

try had adopted smoke-free policies. Over 200 of those policies were adopted since January, 2005.³ There are also many owner/manager companies adopting smoke-free policies for their entire portfolio. Pennrose Management (148 properties in the Mid-Atlantic), Guardian Management (124 properties in the Northwest and Southwest), and IRET (77 properties in the Midwest) are just a few of the national companies that are making commitments to smoke-free living.

Managers are also hearing about the benefits of smoke-free policies from government agencies. HUD has released several documents describing the benefits of smoke-free housing (the Healthy Homes Strategic Plan [released in 2009], notices for buildings receiving HUD funding [released in 2009 and 2010], Smoke-Free Housing Toolkits [released in 2012], and the Surgeon General released a Call to Action for Healthy Homes (2009). These agencies are credible sources of information and as they continue to promote the benefits of smoke-free housing, the interest of managers will continue to grow.

The interest in smoke-free housing policies is already increasing naturally, so you can capitalize on the trend. Talk with managers about the benefits of smoke-free policies as well as information about what’s happening in the smoke-free housing movement nationally. Use the information to help managers realize that smoke-free policies are a large part of the future of multi-unit housing.



As managers continue to adopt smoke-free policies, they share the benefits with other managers.

CHAPTER CONCLUSIONS:

Understand multi-unit housing industry terminology:

- The housing industry is vast and difficult to navigate for those not familiar with it.
- Understanding housing terminology allows you to communicate better with owners and managers.
- Utilizing housing terminology with managers demonstrates an interest in the housing industry.

Assess your community's housing stock:

- Seek out lists of multi-unit housing from municipal agencies and other community organizations.
- Develop relationships with local multi-unit housing coalitions.
- Collect contact information about each property's owner, manager, and physical location.

Understand the multi-unit housing industry's interest in smoke-free policies:

- Identify trends in the housing industry that support smoke-free policies.
- Identify what motivates the housing industry (e.g., cost savings) to make policy changes.

Chapter References

1 Minn. Stat. § 515.1-103 subd. 13 (2012)

2 Housing Link. "Housing Terms." Housinglink.org. Housing Link, 2005. Web. Jan. 2013. <<http://www.housinglink.org/Files/Housing%20Terms.pdf>>.

3 Smoke-Free Environments Law Project- The Center for Gerontology. "Housing Authorities/Commissions which have adopted smoke-free policies." Revised 1 January 2011.

PRACTITIONER'S CHECKLIST:

DO YOU KNOW YOUR MULTI-UNIT HOUSING INDUSTRY?

- Do you have a working knowledge of housing industry lingo?
- Have you made contact with the municipality in your area?
- Have you researched the number and type of housing stock in your region?
- Have you contacted your local building office or code enforcement office to see if any developers have applied for a building permit for a multi-unit housing building?

SAMPLE TOOLS

- *Program databases*
- *Housing terms glossary:*
www.housinglink.org/HousingResources.aspx

RESOURCES

- *Apartment Living Guide:*
www.apartmentlivingguide.com
- *HousingLink:*
www.housinglink.org
- *International Crime-Free Association:*
www.crime-free-association.org/multi-housing.htm
- *“Leading Our Nation to Healthier Homes: The Healthy Homes Strategic Plan:”* http://www.hud.gov/offices/lead/library/hhi/hh_strategic_plan.pdf
- *RENT411:*
www.rent411.com
- *Surgeon General’s Call to Action to Promote Healthy Homes:*
www.surgeongeneral.gov/library/calls/healthyhomes/index.html
- *U.S. Department of Housing and Urban Development (HUD):*
www.hud.gov