



HUD & DOJ Partner Against Sexual Harassment in Housing

The Department of Housing and Urban Development on Thursday announced a new series of initiatives designed to crack down on sexual harassment across the housing landscape, working in partnership with the Department of Justice (DOJ). This new push will encompass an interagency task force, an outreach toolkit, and a public awareness campaign.



"All discrimination stains the very fabric of our nation,

but HUD is especially focused on protecting the right of everyone to feel safe and secure in their homes, free from unwanted sexual harassment," said Secretary Ben Carson. "No person should have to tolerate unwanted sexual advances in order to keep a roof over his or her head. Part of our mission at HUD is to provide safe housing and we will remain diligent in this mission to protect those we serve. I look forward to working with Attorney General Sessions and the Department of Justice as part of this task force to bring an end to this type of discrimination."

Thursday's announcement follows up on the Justice Department's renewed focus on combating sexual harassment in the housing space, first initiated in October 2017. The DOJ initiative "sought to increase the Department's efforts to protect women from harassment by landlords, property managers, maintenance workers, security guards, and other employees and representatives of rental property owners," according to the HUD statement.

The DOJ initiative oversaw the launch of pilot programs in the District of Columbia and the Western District of Virginia. Collectively, the two pilot programs generated nine leads since they began. The HUD statement continues, "While the Justice Department recognizes that leads and investigations do not always lead to enforcement actions, the pilot program's results—when extrapolated across all the U.S. Attorney's Offices across the country—could lead to hundreds of new reports of sexual harassment in housing across the country."

The newly announced HUD-DOJ Task Force to Combat Sexual Harassment in Housing will focus on five key areas: "continued data sharing and analysis, joint development of training, evaluation of public housing complaint mechanisms, coordination of public outreach and press strategy, and review of federal policies."





HUD & DOJ Partner Against Sexual Harassment in Housing (Cont'd)

The outreach program will help provide templates, guidance, and checklists based on pilot program feedback to the DOJ's national network of U.S. Attorney's Offices. According to the HUD statement, this will "amplify available enforcement resources and help victims of sexual harassment connect with the Department."

Finally, the public outreach component will include items such as public service announcements and the launch of a social media campaign.

"Sexual harassment in housing is illegal, immoral, and unacceptable," said Attorney General Jeff Sessions. "It is all too common today, as too many landlords, managers, and their employees attempt to prey on vulnerable women. We will not hesitate to pursue these predators and enforce the law. In October, I ordered a new initiative to bring more of these cases, and we have already won relief for 15 victims. Today we announce three new steps to make the initiative more effective and to win more cases. I want to thank the dedicated and committed professionals in our Civil Rights Division and our partners in the Department of Housing and Urban Development for their hard work in this effort. We will continue to aggressively pursue harassers, because everyone has a right to be safe in their home."

Opportunity Zones

Following an extensive review process involving officials from a number of state government agencies, Kansas Governor Jeff Colyer, M.D. has announced the 74 census tracts he is nominating for designation as Opportunity Zones.

Census tracts designated as Opportunity Zones, a new economic development tool enacted by the Federal Tax Cuts and Jobs Act

Cheyenne	Rawlins	Decatur	Norton	Phillips	Smith	Jewell	Washington Nemaha Doniphan St Jos
Sherman	Thomas	Sheridar	Graham	Rooks	Osborne	Mitchell	Cloud Ctay Pottawatomie Atchison Magnatatan Jefferson
Wallace	Logan	Gove	Trego	EMS ys	Russell	Lincoln	Ottawa Geary Shawnee Wyandon Johnson Johnson
Greeley	Scott	Lane	Ness	Rush	Barton	Ellsworth	Marion Chase
lamilton		- L	lodgema	Pawne Edwards	Staffore	Reno	Cottey
Stanton G	rant Hask	ell	Ford	Kiowa	Pratt	Kingmar	Sedgwick
Morton	Sewa	Meade	Clark	Comanci	e Barbe	Harpe	Sumner Cowley Montgomery Cherokee

of 2017, will offer local citizens the opportunity to invest back into their communities and proactively be a part of the solution to problems such as population decline, lack of jobs, and crumbling infrastructure.





Opportunity Zones (Cont'd)

For the investor, the Opportunity Zone program offers tax incentives to citizens who re-invest their unrealized capital gains into Opportunity Funds dedicated to investing in designated census tracts. The program provides deferral and reduction of capital gains taxes when the gain is invested in a Qualified Opportunity Fund and maintained for at least five years.

In February, the Kansas Department of Commerce announced it would begin accepting Letters of Interest from communities to have their eligible low-income census tracts designated as Opportunity Zones. Following the review of submissions, Gov. Colyer determined that each community who submitted an eligible census tract would be nominated for at least one Opportunity Zone designation. The governor has utilized the available 30-day extension from the U.S. Department of the Treasury to work with local leaders to finalize the specific census tracts designated within each community.

Opportunity Zones are an economic development tool enacted by the Tax Cuts and Jobs Act of 2017 designed to encourage long-term investments in low-income urban and rural communities.

This provides incentives to investors to move capital off the sidelines and into projects which will stimulate the Kansas economy.

This program provides a tax incentive for investors to re-invest their unrealized capital gains into Opportunity Funds that are dedicated to investing in economically distressed areas designated as Opportunity Zones by the Governor.

The program provides deferral and reduction of capital gains taxes when the gain is invested in a Qualified Opportunity Fund and maintained for at least 5 years. Additional tax incentives are available for investments held for periods of seven years and 10 years.

How Steel and Aluminum Tariffs Could Affect Apartment Construction



Apartment developers say construction costs could increase dramatically because of tariffs proposed by President Trump.

Trump ordered a 25 percent tariff on steel imports and a 10 percent tariff on aluminum that was scheduled to go into effect March 23. These increases are sending shockwaves through the construction market. Camden Chairman and CEO Ric Campo expects a \$250,000 to \$450,000 impact on future projects if the tariffs happen. "The devil will be in the details," he says.





How Steel and Aluminum Tariffs Could Affect Apartment Construction (Cont'd)

Campo says the cost of steel rose 10 percent on March 5. Steel mills have announced an increase of up to \$100 per ton as early as April. "Vendors are informing us of steel allocations," he says. "One had their tonnage reduced by 25 percent. Vendors are not providing metal quotes for projects due to the uncertainty in the market."

Additionally, Campo says vendors are enforcing the "30-day project award" clause, which means they will not lock pricing on any quotes that are more than 30 days old. All quotes not committed to within 30 days are subject to re-bid.

Right now, Campo says Camden has costs locked-in on three projects. Kevin Farrell, COO of Century West Partners and President of Fifield Companies, also does not expect any immediate price increases since most of his subcontractors have locked-in material costs for their current backlog of projects.

"We'll be in a period of uncertainty as this negotiation plays out," Farrell says. "Uncertainty will cause some subcontractors to pull bids or arbitrarily increase costs as they assess the true effect of potential material cost increases. As developers, we have to be patient and wait it out and not get too caught up in day-to-day news."

If the tariffs do become reality, Farrell thinks they could push construction costs even higher for his mixed-use multifamily projects in an already expensive environment. "Our stick-built, mid-rise projects have a fair amount of reinforcing steel in the concrete podium and aluminum in the window and storefront systems," he says. "So, at face value, a medium-sized project could see an exposure of several hundred thousand dollars in the worst case."

While apartment developers and contractors are understandably skittish, research compiled in March by Ken Simonson, Chief Economist at Associated General Contractors of America, says that the industrial and commercial sectors would be harder hit by the tariffs than apartments. Simonson says that steel is five times more important to industrial and more than four times more important to commercial.

But the price increases could go beyond steel. President Trump's tariffs could spark a trade war, which would hit developers with increases in other building materials.





How Steel and Aluminum Tariffs Could Affect Apartment Construction (Cont'd)

"If the tariffs are unchanged and implemented and if further tension arises, especially with Canada, the cost of lumber and steel will go up and costs, therefore, will go up," says Greg Mutz, Chairman and CEO of AMLI Residential. "It is hard to tell by how much or how fast but no other outcome is possible if tariffs are raised."

Trump also said March 8 that countries with a "security relationship" may seek exemptions by opening talks with the administration on "alternative ways" to address the threats the administration alleges their products pose to national security, a White House official told The Washington Post.

NAA supplier partners said in mid-March that it is too soon to say whether the tariffs will affect the price of appliances.



Who Do You Want to Dunk???

This Summer the AAGW will have a fundraiser to benefit the NAAPAC after the July monthly membership meeting. We are now taking nominations for who you would like to see perched above the water. <u>Submit</u> <u>your nominations here</u> or at

www.myaagw.com under the NAAPAC tab!



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Emily Telfer
MDU ACCOUNT MANAGER

901 S. George Washington Blvd. Wichita, KS. 67211 316-260-7328 tel 316-249-9532 cell emily.telfer@cox.com









CURSTIN JINKENS
ESTIMATOR

PAVING MAINTENANCE

curstin.jinkens@cornejocorp.com

2060 E. Tulsa Wichita, KS 67216

316-522-5100 office 316-522-8187 fax 316-617-4759 cell

