

# Talking Heads

## Darcy Jameson, Vice President, Development, Beacon Communities Development *Construction Amidst the Pandemic* By Darryl Hicks

**A**ffordable housing developers and property managers have adapted to COVID-19 through innovation, flexibility, patience and open lines of communication. A good example of this is Boston-based Beacon Communities Development.

Beacon is a multifamily developer that manages approximately 19,000 apartments. Early on, the company formed a COVID committee that has monitored the situation and helped guide the company.

To get more details on these important initiatives, I contacted Darcy L. Jameson, vice president of Development. Jameson has been involved in multifamily development since 1999. She joined Beacon in 2004 and has managed the permitting, design, financing and construction of large-scale complex developments creating hundreds of new sustainably-designed communities.

Prior to joining Beacon, Jameson served as the director of Housing for the City of Cambridge, MA and before that she worked in the field of international community development and education primarily in Central America.

**Tax Credit Advisor:** *COVID-19 restrictions have been in place now for over four months. How many projects are currently in your pipeline and what's their status?*

**Darcy Jameson:** We have about 15 projects in various stages of acquisition/rehab, new construction and demolition. In upstate New York, a lot of construction projects were able to continue. In Boston, where I am based, we were shut down for 44 days. It was challenging and very expensive due to the costs of remobilizing and implementing required health and safety protocols. In response to the health crisis, we are largely pivoting away from doing any occupied-unit rehabs in the immediate future and focusing on vacant-unit rehabs.

**TCA:** *What best practices, including health and safety protocols, has Beacon initiated to help minimize the impact of COVID-19 on its construction sites?*

**DJ:** Beacon took a very aggressive approach responding to the COVID-19 crisis. We established a Business Continuity Committee comprised of the senior leadership team

that meets three times weekly to establish policies and new protocols to operate during this pandemic. Effective March 16, we closed our corporate offices and employees began working remotely. Site offices were closed to the public and operated with essential workers providing emergency support services to our residents. Beacon's CEO, Dara Kovel, and President of Beacon Residential Management, Darlene Perrone, host bi-weekly company-wide conference calls to provide status updates to our team members. FAQs were developed to provide quick reference guides and links to the Centers for Disease, Control and Prevention and federal, state and local regulations for the 11 states where we operate. Beacon also established a Return to Work Committee to develop a phased approach, by state, to reopening our offices and amenities. We provide weekly communications to our site teams and residents keeping them informed of our current initiatives and any changes to COVID-19 regulations. We are most proud of our dedicated front-line responders who continue to ensure that our residents' needs are met. Residents receive weekly wellness check calls and we collaborate with our service provider partners to ascertain that their medical, food and other basic needs are met.

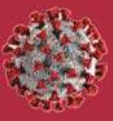


Darcy Jameson

**TCA:** *What protocols do you have in place for shutting down a site if someone tests positive for COVID-19?*

**DJ:** Communication and cleaning are central to our protocols. Beacon's occupied communities are currently closed for any face-to-face work, including programming and leasing activity, so we have already taken major steps to limit activity at our sites to ensure the health and safety of our residents and staff. The site teams are undertaking wellness checks of our residents by phone and leasing

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remotely, including virtual tours. In the event that there is a positive case in a community, the Business Continuity Committee is notified, all residents and staff in that community are notified, along with the local Board of Health. A cleaning team is immediately dispatched to a site.

**TCA:** *Has the pandemic impacted your general contractors and vendors? So many small businesses have unfortunately closed that I am wondering if that has been an issue with you?*

**DJ:** My experience has been so far so good. We use fairly large, well-capitalized general contractors and they have been able to weather the shutdowns and the work and costs of starting back up and putting all of the protocols into place. In Boston, we have had good luck with subcontractors being ready and willing to come back to work.

**TCA:** *More recently, states in the South and West have re-imposed restrictions after seeing spikes in COVID-19 cases. Has this caused any disruptions? If it has, how are you adjusting?*

**DJ:** COVID has been disruptive across our portfolio and in all regions. Some regions were not impacted or hit as hard as others initially, but we have implemented the same safety protocols in all regions.

**TCA:** *Has Beacon had to revise its contracts because of the impact of COVID-19 on schedules and timelines? Has this had any impact on your relationships with labor unions?*

**DJ:** Broadly speaking, we've had to make adjustments. When sites shut down, we had costs to remobilize and costs to implement health and safety plans, so we had to reach an agreement with our contractors on those additional costs and time delays and then communicate that to our lenders and investors. Our approach has been to keep it as simple and straightforward as possible and to have an open dialogue with everyone about what it's going to take to get projects done. It really has facilitated everyone getting back to work.

**TCA:** *Have these added costs for health and safety created any budgetary challenges? Budgets were stretched to the limit before COVID-19 hit, and federal funds scarce. What can you tell me about that?*

**DJ:** For projects that are up and running, we've relied on contingency funds while for other projects that haven't gone to contract yet, we've worked with the contractor to quantify health and safety costs and built them into the construction budget. In some cases, that has required us to go back to our financing partners and discuss these unanticipated costs. Everybody has been overwhelmingly helpful and supportive.

**TCA:** *Have there been any challenges at the community level adjusting to schedules?*

**DJ:** We have made communicating central to our approach to managing this health crisis with our municipalities, our staff and our residents to help everyone understand what's going on, explain what protocols we are putting in place, how we are managing things and to listen to their questions and concerns. The health and safety of our residents has been most important for ensuring that they have access to food, their medications and other needs and minimizing exposure to COVID.

**TCA:** *Are there any COVID best practices that Beacon has put in place that have proven so beneficial that you'll keep them in place after the pandemic ends?*

**DJ:** On the management side, there have been some really good communication protocols put in place as described above. My assumption is that many of these will continue after the pandemic ends. In addition, because we moved to working remotely, we really ramped up our use of technology across all platforms of the company, including our capacity to do online leasing and virtual tours.

**TCA:** *What business plans have you made for the remainder of 2020 and into 2021?*

**DJ:** Our major focus is making sure that any acquisition/rehabs or new construction projects in our pipeline—either approaching a closing or underway—keep moving and remain on schedule as much as possible. We've had to be quite malleable in dealing with delays, added expenses associated with health and safety protocols and working with our lenders and investors on new schedules. So, our focus is really to keep projects in the pipeline moving and get them wrapped up successfully. We are still actively doing business development, looking for new projects and trying to keep it business as usual.

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# State Roundup

More state qualified allocation plan updates, deadlines, and documents at [www.housingonline.com/resources/facts-figures/qualified-allocation-plans/](http://www.housingonline.com/resources/facts-figures/qualified-allocation-plans/)

## New York Enacts New Eviction Moratorium

On June 30, 2020 Governor Andrew Cuomo (D) signed into law S. 8192B, which prohibits evicting tenants for unpaid rent accrued between March 7 and the complete reopening of their area, so long as a tenant can prove in court that they experienced financial hardship during that period. A judge can still issue a money judgement against the tenant.

## Connecticut Extends COVID-19 Financial Relief Available for Multifamily Borrowers through End of Year

The Connecticut Housing Finance Agency (CHFA) extended the COVID-19 multifamily financial relief period through December 31, 2020. Any mortgagor of a multifamily rental housing development in CHFA's portfolio experiencing financial distress due to COVID-19, beyond the financial ability of the mortgagor to correct or mitigate, may contact CHFA to request its assistance.

## California Offers \$600 Million in Project Homekey

The California Department of Housing and Community Development released a NOFA for \$600 million in Homekey funds. Building on the success of Project Roomkey, Homekey is the next phase in the state's response to protecting Californians experiencing homelessness who are at high risk for serious illness and are impacted by COVID-19.

The grant funding will be available to local public entities, including cities, counties or other local public entities, such as housing authorities or federally recognized tribal governments within California to purchase and rehabilitate housing, as well as hotels, motels, vacant apartment buildings and other buildings and convert them into interim or permanent, long-term housing.

\$550 million of the funding comes through federal Coronavirus Aid Relief Funds, which must be expended and project escrow must close by December 30, 2020. Priority Applications are due by August 13, 2020 and all applications are due by September 29, 2020.

## Florida Offers Rental Assistance through Coronavirus Relief Funds

The State of Florida has been awarded funding through the Coronavirus Aid, Relief and Economic Security (CARES Act) Coronavirus Relief Funds (CRF) to provide rental assistance for residents in Florida Housing funded developments. The owner's Invitation to Participate is now available, but is subject to the approval of the Florida Housing Finance Corporation Board of Directors at the July 17, 2020 board meeting.

Using these funds, Florida Housing will subsidize eligible households' rents by providing payments to owners of participating properties. Payments will not be made to individual resident households. The rental assistance will be available to help pay an eligible household's rent for July through December 2020, as well as rent arrearages accrued during the months of April, May and June 2020. All funds must be expended by December 30, 2020.

## Maryland Offers \$30 Million in COVID-19 Rental Assistance

Governor Larry Hogan (R) announced a \$30 million rental assistance program to prevent evictions and help Marylanders affected by the COVID-19 pandemic. The State's allocation of \$20 million in Community Development Block Grant (CDBG) COVID funding will be deployed across local jurisdictions in Maryland to provide further support for local eviction prevention programs. The other \$10 million will allow Community Development Administration (CDA) to create the Assisted Housing Relief Program, which will help eliminate rental debt for tenants that are delinquent because of financial troubles caused by the public health crisis. Those funds will be available to property owners with CDA financing, and the funding will go directly to the property owner on behalf of the impacted tenants. The program is expected to open in July with funds distributed in August. **TCA**

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**TCA:** *Thank you for your time. Do you have any parting words of wisdom for our readers?*

**DJ:** Safety of staff and residents has been our guiding principle during this crisis. In terms of working with residents, staff, contractors, etc. it has been important to keep open lines of communication, think about what's fair for everyone to get the best outcome and ensure the safety of our residents and the people working on our sites. This has been our governing approach to things. **TCA**