

Social Mission.
Private Enterprise.
January 19, 2016

Regulations Division
Office of General Counsel
Department of Housing and Urban Development
451 7th Street, SW
Room 10276
Washington, DC 20410-0500

To Whom It May Concern:

Housing Partnership Network (HPN) appreciates the opportunity to comment on the Proposed Rule (Docket No. FR5597-P02 RIN-2577-AC97) establishing a smoke-free policy in all public housing. HPN is a member-driven organization comprised of nearly 100 entrepreneurial, high-capacity nonprofits that operate all across the country. The members are diversified social enterprises combining a mission focus with business acumen. HPN members' businesses include multifamily development, lending, property management, and housing counseling. All of our members work to link their communities to services – education, workforce development, and health care. Collectively, HPN members have developed or rehabilitated 374,000 affordable homes, and assisted 9.8 million people through housing, community facilities, and services.

HPN is best described as a business collaborative. The members' senior leadership comes together with their peers to exchange information, solve problems, and share best practices. Their collaborations have spawned member-owned businesses that improve member operations and advance innovations in the practice of affordable housing and community development. For example, when members realized a need for long-term, low-cost capital they formed a multifamily real estate investment trust (REIT) called the Housing Partnership Equity Trust (HPET). HPET enables its 12 mission-driven nonprofit partners to quickly and efficiently acquire multifamily housing. Other businesses that have emerged from these collaborations include a group buying service and a new web-based approach to homebuyer education.

Currently, HPET with its partners manages 10 multifamily properties which provide homes for families, seniors, and others with modest incomes. Additionally, several HPN members who manage large portfolios of affordable multifamily housing, such as Homes for America, have successfully gone smoke-free. Based on the experience of HPET and HPN's members, HPN is supportive of the Department of Housing and Urban Development's (HUD's) proposed rule to implement a smoke-free policy in all public housing because it can serve as a model for all multifamily property managers, deliver substantial cost savings for property managers, and have positive benefits for resident health and safety.

Cost Savings:

We believe that Public Housing Authorities (PHAs) taking the lead in going smoke-free will encourage other property managers to go smoke-free and can serve as a model for multifamily residential property management. If other property managers implement this policy it could lead to significant cost savings in the management of multifamily properties.

Implementing a smoke-free policy can lead to substantial savings in both maintenance costs and fire-related damage costs. One estimate done by the Smoke-Free Housing Coalition of Maine shows that the cost savings from maintenance is between \$770 and \$2170 per unit. Furthermore, because the smoke-free policy applies to both common areas and outdoor areas, it could also reduce the need for property management staff to clean outdoor and common areas of smoking-related waste including cigarette butts.

Smoking within residential buildings also can have serious costs associated with fire damage. A study by the U.S. Fire Administration found that between 2008 and 2010 fire-related damage caused an estimated \$326 million in residential property damage.² Going smoke-free could result in significant cost savings for PHAs from prevention of fire-related property damage and potentially lead to reduced insurance costs.

We believe that the cost of implementing this policy will be minimal because PHAs can integrate the check for policy compliance into the inspections which they already routinely conduct.

Health and Safety:

In addition the negative health effects of secondhand smoke have been well documented by researchers. According to the U.S. Surgeon General, secondhand smoke causes premature death and disease in children and in adults who do not smoke. Moreover, "The scientific evidence indicates that there is no risk-free level of exposure to secondhand smoke." (p.11)³ Furthermore, smoking is the number one cause of civilian fire deaths in residential buildings, despite only accounting for two percent of residential building fires. This is a major safety issue for both residents and staff working in multifamily residential buildings.

Residents who smoke in a multifamily residential building don't just harm those who live or enter their units but all residents living in the building. According to the American Society of Heating, Refrigerating and Air-Conditioning Engineers (2013), "At present, the only means of effectively eliminating health risk associated with indoor exposure is to ban smoking activity." (p.3)⁴ These effects also harm the health of staff working in multifamily residential buildings

¹ Smoke-Free Housing Coalition of Maine. Landlord Fact Sheet.

http://www.smokefreeforme.org/assetts/Landlord%20Fact%20Sheet%2006.07.pdf Accessed January 19, 2014.

² U.S. Fire Administration (2012). Smoking-Related Fires in Residential Buildings (2008-2010).

³ U.S. Department of Health and Human Services (2006). The Health Consequences of Involuntary Exposure to Tobacco Smoke: A Report of the Surgeon General.

⁴ American Society of Heating, Refrigerating and Air-Conditioning Engineers (2013), "ASHRAE Position Statement on Environmental Tobacco Smoke.

because every time a staff member enters the unit or the building they are exposed to the effects of second hand smoke.

Please feel free to contact me at <u>Siglin@housingpartnership.net</u> if you are interested in discussing these comments further. Thank you for your attention to HPN's views.

Sincerely,

Kristin Siglin

Vice President, Policy