



2013 Annual Awards Entry Form
(Complete one for each entry.)

Entry Name How easily can you turn a cruise ship? Transformers of Government

Fill out the entry name *exactly* as you want it listed in the awards program.

HFA Georgia Department of Community Affairs

Submission Contact Linda Cunningham

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Program Contact Linda Cunningham

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Entry form with description, check(s), and visual aids (optional) must be received by NCSHA by **Monday, July 1, 2013.**

Use this header on the upper right corner of each page.

HFA Georgia Department of Community Affairs

Entry Name How easily can you turn a cruise ship? Transformers of Government

Communications	Homeownership	Legislative Advocacy	Management Innovation
<input type="checkbox"/> Annual Report <input type="checkbox"/> Promotional Materials and Newsletters <input type="checkbox"/> Creative Media	<input type="checkbox"/> Empowering New Buyers <input type="checkbox"/> Home Improvement and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Federal Advocacy <input type="checkbox"/> State Advocacy	<input type="checkbox"/> Financial <input type="checkbox"/> Human Resources <input checked="" type="checkbox"/> Operations <input type="checkbox"/> Technology
Rental Housing	Special Needs Housing	Special Achievement	Are you providing visual aids?
<input type="checkbox"/> Multifamily Management <input type="checkbox"/> Preservation and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Combating Homelessness <input type="checkbox"/> Housing for Persons with Special Needs	<input type="checkbox"/> Special Achievement	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

2013 NCHSA Annual Awards for Program Excellence

HFA: Georgia Department of Community Affairs/Georgia Housing and Finance Authority

Entry Name: How easily can you turn a cruise ship? Transformers of Government

How easily can the Queen Mary turn?

QUEEN MARY 2 is Cunard's flagship and the most magnificent ocean liner ever built. A transatlantic crossing to or from New York on this incredible ship is a holiday like no other. Cunard's flagship, the only ocean liner in service and the fastest passenger ship in the world can transverse the ocean in 7 days. Georgia Department of Community Affairs is the flagship of Georgia Housing and Finance Authority.

The 1958 Geneva Convention on the High Seas require the master of a vessel, insofar as can be done without serious danger to the ship, crew, or passengers, to render assistance at sea and to proceed with all possible speed to the rescue, insofar as it can reasonably be expected.

We got the distress call when HUD released an interpretive rule that generated unintended consequences to the ability of housing finance agencies to utilize certain long standing business models in the award of down payment assistance, including the funding of DPA through a network of HUD approved lenders. We answered the distress call and still had to get the ship, passengers and crew to the destination.

In partnership with NCHSA and other Housing Finance Agencies, the challenges and unintended consequences were elevated to HUD for additional review. On Jan 18, 2013, at a high profile NCHSA Conference in Washington DC we learned that efforts to mitigate the impact of the interpretive rule did not have the desired results. The Queen Mary had to change course and quickly. Georgia Housing and Finance Authority made the announcement to our Lender Partners on January 18 that we would begin table funding on all loans closed on or after January 22, 2013.

The Captain and crew of high quality, well disciplined Lieutenants determined a new course must be navigated and in addition respond to the need as presented. We were going to figure out how to implement this change quickly and efficiently. The closing of a Georgia Dream First Mortgage without this change could result in the inability of the loan to meet the requirements of the Mortgage Insurer. Providing the down payment assistance directly to the closing agent at the closing table and not after the loan has closed to reimburse the lender was the challenge. Where would we get the cash required? What regulations did we need to meet? How would we monitor the funds? Who could authorize the funds? What safeguards did we need? How would our Lender partners react? When did we need to act?

Cruising at normal speed we were using \$10 million a month in first mortgages. The crew of 4 was keeping the engine oiled, decks clean and passengers happy. The distress call added 5 hours a day, and required the close cooperation of multiple other crewmates from 4 other departments to meet the additional requirements of \$3,335,000, in individual wires, in small batches, every day, by 4pm, 554 times. Our systems weren't designed to generate these small batches.

The teams from Accounting, Loan Production, Bond Administration and HOME Funds designed a process that met the needs of the homebuyers, the lender partners, the closing agents and each other. We used every resource we had available, researched each step, contacted external partners, compared notes, participated in outreach and adjusted for obstacles. The team implemented a process that was transparent externally using systems designed for something else and executed a successful course correction responding to the distress call. The Georgia Housing and Finance Authority turned the flagship to a new course, responded to the possibilities of unintended consequences and went with all possible speed to rescue the ability of our agency in the award of down payment assistance, including the funding of DPA through a network of HUD approved lenders. We did it in 5 days, not 7. It's not easy to turn the Queen Mary, but it can be done.