

Proposed Amendments to MTW Fiscal Year 2015 Annual Plan

Below is a listing of proposed amendments to the MTW FY 2015 Annual Plan that result in the repayment of bonds, the refinancing of bonds, the issuance bonds and that acquisition of properties to support the Blumberg redevelopment initiative.

PHA proposes to add the following activities to the Moving to Work Plan for Fiscal Year 2015, which ends March 31, 2015. If the Board of Commissioners approves, any or all of these activities, the amendments to the plan will assure that the necessary authorization from HUD will already be in place.

The Philadelphia Housing Authority will hold a Public Hearing to review the amendments to its MTW Year 15 Plan and the MTW Agreement before submission to the Department of Housing and Urban Development (HUD). The Public Hearing will be held on 8/18/2014 for 3 to 5 pm at the John F. Street Center located at 1100 Poplar Street 19123 multi-purpose room. The comment period starts noon on 8/5/14 and ends noon 9/5/14.

In addition, amendments to the MTW Plan 2015 that are authorized by the MTW Year 13 Plan are included in the documents and may not be subject to public comment.

MTW Amendments

Chapter V: MTW Sources and Uses of Funding

Page 58- A. Estimated sources and Uses of MTW funding for Fiscal Year 2015:

New Added Language - Located in the First Paragraph:

The Estimated Sources in Table 7 include, in addition to FY2015 Revenue, “Beginning Equity” represented by FDS Line 11030; this includes prior year unspent MTW reserves. The Estimated Uses in Table 8 include, in addition to FY2015 current Total Expenses, “Prepayment of CFFP Bond Principal” represented by FDS Line 11020 and “Property Acquisitions” represented by FDS Line 11620, for the acquisition of sites for the Blumberg development project.

Table 7: New Language - Estimate Sources of MTW Funding for FY 2015:

Sources		
FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	\$24,045,000
70600	HUD PHA Operating Grants	\$288,400,000
70610	Capital Grants	\$49,176,047
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	\$ 0
71100+72000	Interest Income	\$115,000
71600	Gain or Loss on Sale of Capital Assets	\$1,200,000

71200+71300+71310+71400+71500	Other Income	\$1,000,000
70000	Total Revenue	\$363,936,047
11030	Beginning Equity	\$68,320,000
Total Planned FY2015 Sources		\$432,256,047

Pg. 59: New language Added- (Table 8: Estimated Uses of MTW Funding for FY 2015)

Uses		
FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+ 91800+91900)	Total Operating – Administrative	\$72,218,000
91300+91310+92000	Management Fee Expense	\$ 0
91810	Allocated Overhead	\$ 0
92500(92100+92200+92300+92400)	Total Tenant Services	\$5,285,000
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	\$25,644,000
93500+93700	Labor	\$82,000
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	\$56,472,000
95000 (95100+95200+95300+95500)	Total Protective Services	\$7,500,000
96100 (96110+96120+96130+96140)	Total Insurance Premiums	\$12,500,000
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	\$15,000,000
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	\$ 0
97100+97200	Total Extraordinary Maintenance	\$8,000,000
97300+97350	Housing Assistance Payments + HAP Portability-In	\$120,363,188
97400	Depreciation Expense	\$40,871,859
97500+97600+97700+97800	All Other Expenses	\$ 0
90000	Total Expenses	\$363,936,047
11020	Prepayment of CFFP Bond Principal	\$24,320,000
11620	Property Acquisition	\$44,000,000
Total Planned FY2015 Uses		\$432,256,047

Pg. 59- 60: *New Language Added- Use of Single Fund Flexibility:*

- Repayment before maturity of two of PHA's outstanding series of Capital Fund Program Revenue Bonds: (i) Series B issued in 2002, maturing December 1, 2021, with a current outstanding principal balance of \$17,165,000, with accrued interest to the repayment date of approximately \$416,113; and (ii) Series C issued in 2003, maturing December 1, 2017, with a current outstanding principal balance of \$7,155,000, with accrued interest to the repayment date of approximately \$167,549. Both Series may be repaid without premium or penalty. If PHA pays off Series B and Series C before December 1, 2014, savings from 2014 to 2021 will be \$4,281,905 in interest, plus certain fees.
- Refunding of the two remaining series of Capital Fund Program Revenue Bonds in order to reduce PHA's interest expense: (i) Series A issued in 2002, maturing December 1, 2021, with a current outstanding principal balance of \$44,150,000; and (ii) Series D issued in 2003, maturing December 1, 2022, with a current outstanding principal balance of \$11,000,000. The refunding will be accomplished by repaying the bonds from the proceeds of new bonds to be issued in an amount at least sufficient to repay Series A and D, plus the expenses of the transaction.
- Acquisition of properties, in cooperation with the Philadelphia Redevelopment Authority, for the Sharswood/Blumberg development project, for use as replacement housing in that neighborhood.
- Issuance of Capital Fund Program Revenue Bonds in connection with the financing of the Sharswood/Blumberg development project.