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**PHA Bond Rating Outlook Revised from Stable to Positive**

**(Philadelphia, PA – April 29, 2021)** – Fitch Ratings has upgraded the Philadelphia Housing Authority’s financial outlook from stable to positive. The positive outlook reflects strong funding trends including 2021 federal Capital Fund appropriations.

But the report also serves as a barometer of PHA’s overall financial standing.

The annual rating is based on capital fund program revenue bonds issued to PHA and the Philadelphia Redevelopment Authority in 2002 and 2003 for construction projects. The bonds are rated AA-.

The Fitch analysis notes that, “PHA management adheres to federal requirements and discloses capital plans to HUD in a timely manner.” In addition, PHA’s ongoing program to build new public housing and rehabilitate older properties has offset the loss of other properties demolished or taken out of service, leading Fitch to report “no material loss of housing units.”

“We are pleased with the confidence this rating and outlook demonstrate in our financial stewardship of the agency,” said PHA President and CEO Kelvin A. Jeremiah. “We also are very encouraged by the proposals coming from the Biden administration to invest in infrastructure, including affordable housing expansion. We believe that, too, lends itself to PHA’s positive outlook.”

The Fitch report states that deep cuts to HUD programs were proposed by the previous administration but were not approved by Congress. The report says despite the new administration’s plans, “changes in grant formulas remain unseen.”

The bonds mature in December 2022, leading Fitch to conclude that even in the event of an unforeseen funding cut, PHA is in excellent financial condition to meet its remaining obligation.

“Timing, along with strong DSC (Debt Service Coverage) levels and PHA’s ability to withstand substantial erosion of future appropriation amounts while the bonds are outstanding insulate (the housing authority) from credit risks,” the report said.

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**The Philadelphia Housing Authority** is the nation’s 4th largest housing authority, serving nearly 80,000 residents. PHA is also a major real estate developer. Learn more at [www.pha.phila.gov](http://www.pha.phila.gov).