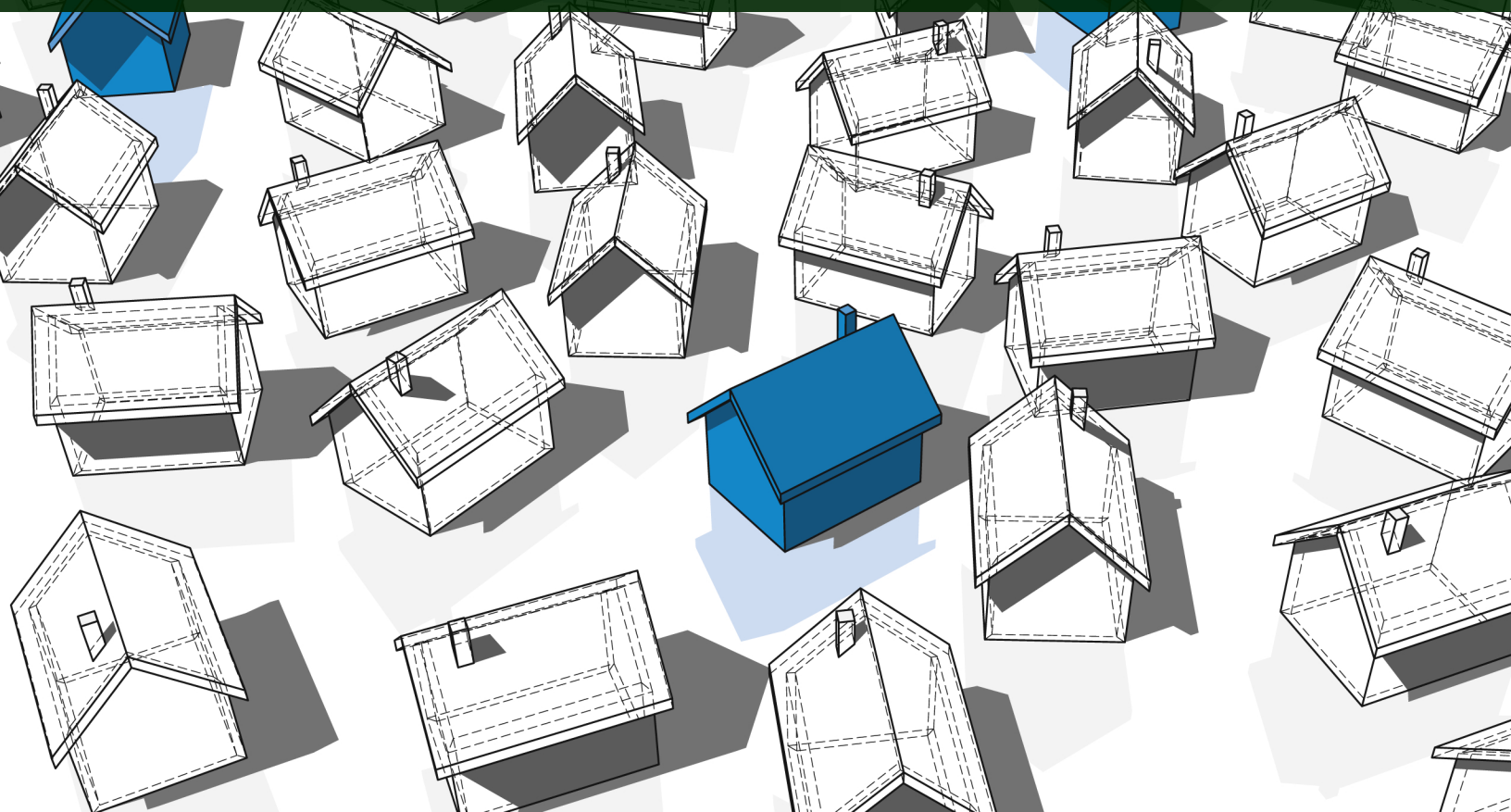


PHILADELPHIA HOUSING AUTHORITY ACT 130 REPORT 2016



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EXECUTIVE SUMMARY

On July 5, 2012, then-Governor Tom Corbett signed Senate Bill 1174 into law as Act 130 of 2012 (Act 130), which amended the Pennsylvania Housing Authorities Law (Act 265 of 1937). The Act went into effect on September 3, 2012.

The key provisions of Act 130 impacting the Philadelphia Housing Authority (PHA) included restructuring PHA's Board of Commissioners, including the appointment process and terms; establishing at-will employment for both the CEO and staff reporting to the CEO; and requiring that PHA annually prepare a written report regarding its operations, administration, management, finances, legal affairs, housing production and development, and other related activities.

This Fiscal Year (FY) 2016 Act 130 Annual Report reflects the Authority's operations, administration, management, finances, legal affairs, housing production and development and other relevant activities as required by law.

As a designated Moving to Work (MTW) agency, PHA has substantial budget flexibility and regulatory relief, the use of which reflects careful consideration of the immediate and long-term needs of the agency. This report includes a copy of the approved Strategic Directions Plan, which details measures of success and a series of strategic initiatives and/or projects to be accomplished by 2019.

This report reflects PHA's continuing commitment to inform its stakeholders, partners, residents and staff about the mission, goals, and work the agency seeks to accomplish, as well as the ways that PHA will measure performance and implement improvements in FY 2017.

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SECTION 1 - THE AGENCY AND ITS MISSION

BACKGROUND OF PHA

PHA is the largest provider of affordable housing in the City of Philadelphia and the fourth largest housing authority in the United States. Established in 1937, PHA currently manages nearly 15,000 public housing units available to low to moderate-income families, seniors and people with disabilities within the City of Philadelphia. Over 32,000 households, with nearly 80,000 family members, live in apartments owned or assisted by PHA. These affordable units and/or homes are located throughout the City in 35 conventional public housing developments, 24 Low Income Housing Tax Credit (LIHTC) developments, and over 4,000 scattered site public housing units.

PHA provides tenant and project-based rental subsidies under the Housing Choice Voucher (HCV) Program for over 18,000 low-income households who live in privately-owned housing. Significant portions of project-based units subsidized by PHA are owned by local non-profit agencies that also provide supportive services for residents. While the population of the HCV program is diverse, a major focus is on serving veterans and their families with funding from the Veterans Affairs Supportive Housing (VASH) program.

PHA serves many of the lowest-income citizens of Philadelphia: average household income is \$15,850 for public housing households and \$13,266 for HCV-assisted households. Only 26% of PHA households report any income and the majority of the households are headed by seniors (38%) and/or people with disabilities (48%). In addition, PHA houses over 34,347 children under the age of 18.

MISSION AND VISION

PHA's mission is to open doors to affordable housing, economic opportunity and safe, sustainable communities to benefit Philadelphia residents with low incomes. To accomplish this mission, on December 18, 2014, by Board Resolution No. 11754, PHA adopted a five-year Strategic Directions Plan that focuses on the twelve (12) strategic priorities, listed below. Taken together, these priorities provide the framework for PHA's major initiatives and resource allocation decisions over the period from 2015 through 2019:

1. Improve, preserve and expand the supply of affordable housing available to Philadelphia's residents with low incomes;
2. Achieve excellence in the provision of management and maintenance services to PHA residents;
3. Create safe communities in collaboration with neighborhood residents and law enforcement agencies;
4. Enhance resident well-being and independence through partnerships for employment, job training, education, health, and other evidence-based supportive services;
5. Improve access to quality housing choices and opportunity neighborhoods through the Housing Choice Voucher Program;
6. Incorporate energy conservation measures and sustainable practices throughout PHA operations;
7. Improve customer service, streamline operations, and create a business model that is data-driven and high-performing;
8. Conduct PHA business in an open and transparent manner that promotes accountability and access, ensures diversity, and adheres to the highest ethical standards;
9. Strengthen existing relationships and forge new public, private, and philanthropic partnerships to support PHA's strategic goals;
10. Make PHA an employer of choice with an accountable, diverse, trained, and productive workforce;
11. Ensure that PHA is a good neighbor and reliable community partner; and
12. Encourage innovation and promote PHA's financial health through ongoing participation in the Moving to Work Program.

ORGANIZATIONAL STRUCTURE

PHA was created in 1937, and is organized under the laws of the Commonwealth of Pennsylvania to develop, acquire, lease, and operate affordable housing programs for low and moderate-income residents of the City of Philadelphia. PHA is the largest landlord in the City of Philadelphia and Pennsylvania.

A Board of Commissioners governs PHA and convenes at least eleven monthly public meetings per year to address PHA business. PHA's President & CEO reports to the Board, and has full responsibility for the leadership and management of all PHA operations.

PHA employs approximately 1,400 full-time employees and is considered an industry leader in property development, acquisitions, and management of modern affordable housing. Over 90% of PHA's annual budget of over \$396 million comes from the U.S. Department of Housing and Urban Development (HUD). The majority of this budget has been used to transform communities throughout Philadelphia through PHA's Moving to Work (MTW) designation. This has resulted in the rehabilitation and revitalization of neighborhoods, the implementation of energy efficiency and green technologies, and support for resident economic self-sufficiency.

As a Moving To Work program participant, PHA is 1 of 39 agencies with flexibility to develop and implement local housing policies and waive statutory limitations.

Board of Commissioners Profiles

Chair Lynette M. Brown-Sow is the Vice President of Marketing and Government Relations at the Community College of Philadelphia. In 1980, she founded L.M. Brown Management Group, a certified minority/female-owned consulting firm that provides professional services to corporations, non-profits, and governmental entities. As an entrepreneur, Ms. Brown-Sow helped to create Health Pass, one of the nation's first health insurance organizations, in the mid-1980s. In 2008, Mayor Michael Nutter appointed her to the Philadelphia Zoning Board of Adjustment, which she chaired from 2010-2013. In 1991, then-Mayor Edward Rendell appointed Ms. Brown-Sow to the position of Deputy Mayor of Administration to manage appointees to all boards, commissions, and non-civil service positions. Her diverse board appointments include The Philadelphia Tribune Co. Inc., Hahnemann University Hospital, the Board of City Trustees, NHS Enterprises, Inc., Marion Anderson, and she is also chair of the Board of Directors of Youth Advocate Programs Inc., an international youth service organization, and a member of the Board of Directors of YAP Ireland.

Vice-Chair Herbert Wetzel is the Executive Director of Housing and Community Development for the Philadelphia City Council. He is also a founding member of the board of directors and former executive director of the Greater Germantown Housing Development Corporation. Mr. Wetzel has a long history of community development activities and during the past 20 years, he established a small business in the Germantown section of Philadelphia to create neighborhood-based economic development, and served as Director, Deputy Executive Director and, upon appointment by former Mayor John Street, Executive Director of the Philadelphia Redevelopment Authority.

Leslie D. Callahan, PhD serves as pastor of St. Paul's Baptist Church in North Philadelphia. She received her Bachelor of Arts degree in Religion from Harvard/Radcliffe, her Master of Divinity from Union Theological Seminary in the City of New York and her PhD in Religion from Princeton University. Her research interests include religious history in the United States, particularly independent African American Christianity and Pentecostal studies.

Rev. Bonnie Camarda has served as Director of Partnerships for the Salvation Army of Eastern Pennsylvania and Delaware since 1999 as a tireless advocate for the underserved. Rev. Camarda co-chaired Mayor Nutter's Faith Leaders Advisory Task Force for Community Safety with the goal of maximizing the neighborhoods' spiritual assets, social capital and civic values. She is a non-violent activist encouraging mutual trust and respect through amnesty programs that provide musical instruments to Philadelphia schools for weapons turned in to authorities. An avid supporter of education, Rev. Camarda serves as Moderator for the Faith and Community Partnerships of the School District of Philadelphia. She is also the past president of the Hispanic Clergy of Philadelphia, which she helped co-found.

Asia Coney is one of two Resident Commissioners who were elected in April of 2014 by PHA residents, pursuant to a process created under the Pennsylvania Housing Authorities Law, Act 130. Commissioner Coney is the President of PHA's Resident Advisory Board. A Philadelphia native, her dedicated community activism over the last thirty-six years has included: advocating for public and assisted housing safety, greater resident input into PHA decision-making, and improvement of existing public housing conditions; conducting local and national workshops; ensuring compliance with federal and state directives regarding the quality of resident life; and working closely with PHA in its creation and implementation of resident programs. She has served on numerous City Boards, including the Philadelphia Redevelopment Authority and the Malt and Beverage Board, and served as the Director of Tenant Support Services, Inc., which terminated operations in 2012. Her community activism has included the following marches: being one of two Chairs for the 1997 historic Million

Woman March; Chair of the “Sistahs of the Million Woman March” in 2007; and serving as a key organizer of the 1997 Grays Ferry March, to reduce violence and race riots.

Julia Danzy has extensive administrative experience in the area of Social Services, especially child welfare. She has served as the City of Philadelphia’s Director of Social Services; Deputy Commissioner of Health; and Operations Director for the Department of Human Services; as well as serving as Deputy Secretary of the Office of Children, Youth and Families, in the Pennsylvania Department of Public Welfare. Her work has included oversight of the creation of a large urban area’s integrated data system for all its departments of Human Services, Prisons, and Behavioral Health, which was responsible for the city’s homeless housing services, and has worked as a human services consultant, with a focus on spanning area of organizational design, integrated data systems, and program design. She is known as a tireless advocate for children and families and a proven leader in innovative use of human service systems. Commissioner Danzy earned a B.A. at Howard University, an MSW at Columbia University, and a Masters of Government Administration at the University of Pennsylvania. She has published articles on child welfare, made speaking appearances nationwide, served as the President of Black Administrators in Child Welfare, and is an Ex-Officio Board member of the Women’s Opportunities Resource Center.

Amy L. Kurland, Esq. is the Inspector General for the City of Philadelphia, having been appointed to that position by Mayor Michael Nutter. The Inspector General is responsible for rooting out corruption, fraud and misconduct by city employees and those doing business with the city. Prior to becoming the Inspector General, Commissioner Kurland was an Assistant United States Attorney and Senior Litigation Counsel in the Eastern District of Pennsylvania, Criminal Division for 24 years. She specialized in public corruption and white-collar fraud. She also served as the Professional Responsibility Officer for the U.S. Attorney’s Office, and provided advice regarding compliance with the Pennsylvania rules of professional conduct. Commissioner Kurland received her J.D. from Rutgers University and her B.A. from Reed College. She serves on the Board of Women Against Abuse and is also an Adjunct Professor of Law at Rutgers, where she teaches trial advocacy. In addition, she has taught at Temple University, the U.S. Attorney General’s Advocacy Institute, the National Advocacy Center and the F.B.I. Training Facility in Quantico.

Kenneth A. Murphy, Esq. is a managing partner and chair of the Products Liability and Mass Tort Practice Group at Drinker Biddle. His background encompasses a broad area of legal expertise in federal and state courts in New York, New Jersey and Pennsylvania. He is a Fellow of the American College of Trial Lawyers, past president of the Barristers’ Association of Philadelphia, a member of the Philadelphia Bar Association’s Judicial Selection and Retention Commission, and a member of the International Association of Defense Counsel and the Defense Research Institute. Mr. Murphy is a former zone delegate of the Pennsylvania Bar Association and a trustee of the Presbytery of Philadelphia. Commissioner Murphy received his B.A. from Duke University and his J.D. from Duke University School of Law.

Ethel Wise is one of two Resident Commissioners who were elected in April of 2014 by PHA residents, pursuant to a process created under the Pennsylvania Housing Authorities Law, Act 130. Commissioner Wise is President of the Wilson Park Family Resident Council, a native of Philadelphia and has a personal history of involvement, community engagement and commitment to bettering the lives of those in public housing for over 40 years. As President of the PHA housing development at Martin Luther King for approximately 32 years, Commissioner Wise developed an effective job bank, a food bank and a town watch program that was recognized as one of the best in the country, and, in 1993, she received the Mayor’s Community Service Award. Commissioner Wise also created and managed PHA’s Lobby Monitor Program, which promoted resident safety and resident employment with a well-defined career path. She has been a leader in providing national and local training for Resident Councils on HUD regulations and has served as a Democratic Party Committeewoman for the last 25 years.

Executive Team Profiles

Kelvin A. Jeremiah, President & Chief Executive Officer

Mr. Jeremiah was named President & CEO of PHA on March 14, 2013 after serving as the HUD-appointed Administrative Receiver and the Interim Executive Director since June 2012. He oversees PHA’s day-to-day operations. During his tenure, PHA successfully completed a Recovery Plan to address deficiencies in operations and governance, which resulted in the agency returning to local control in April 2013.

Mr. Jeremiah, an affordable housing veteran, originally came to PHA as the agency’s first-ever Director of Audit and Compliance in August 2011, after serving as Inspector General for the New York City Housing Authority, the nation’s largest housing authority with a portfolio of 178,000 units housing, over 450,000 residents, a Housing Choice Voucher Program with nearly 100,000 participating families, and an operating budget of over \$3.5 billion. As PHA’s Director of Audit and Compliance, Mr. Jeremiah developed and implemented policies and procedures that ended a culture of splurge and rooted out waste, fraud, abuse, and mismanagement.

Some of his major initiatives as President & CEO include relaunching an improved Pre-Apprenticeship Training Program for residents and expanding the PHA Police Department for the first time in over a decade to address safety and security issues. Under his leadership, PHA is increasing the number of affordable housing units in Philadelphia by collaborating with public and private organizations to develop 6,000 affordable housing units over five years. Additionally, he has also significantly increased the use of Housing Choice Vouchers by adding over 4,000 new units.

Mr. Jeremiah received a Bachelor's degree in History/Business Administration from Pace University, a Master of Arts in American Social History from Rutgers University, and a Master of Public Administration from American International College, after emigrating from Grenada to the United States as a teenager. Mr. Jeremiah is a Certified Public Purchasing Official, a Certified Public Housing Management Specialist, a member of the Association of Inspectors General, and a member of the Mayor's Office of Community Empowerment and Opportunity Oversight Board.

Barbara Adams, Esq., Executive Vice President for Legal Affairs & General Counsel – Office of General Counsel

Ms. Adams' extensive legal experience includes managing a staff of over 500 attorneys at the Office of General Counsel of the Commonwealth of Pennsylvania under Governor Edward G. Rendell and working in the private sector at Duane Morris, LLP, where she started as a summer intern and went on to become a partner, serving on the Partners' Board and heading the firm's finance practice. She became General Counsel for PHA on August 1, 2011 and also serves as Secretary of the PHA Board of Commissioners.

Ms. Adams is a graduate of the Temple University School of Law and earned her undergraduate degree from Smith College.

Dr. Branville J. Bard, Chief of Police & Director of Public Safety - Office of Public Safety

Dr. Bard was named PHA's Chief of Police in February 2015. He oversees the PHA Police Department (PHAPD) and directs the agency's public safety efforts. Dr. Bard spent 21 years with the Philadelphia Police Department, where he rose to the rank of Inspector. He most recently served as the Commanding Office of the Forensic Science Unit. Prior to heading that department's elite crime scene unit, he served as the Captain of the 22nd District in North Philadelphia, the largest police district in terms of personnel.

Dr. Bard holds a doctorate in public administration from Valdosta State University in Georgia, as well as several other degrees and public safety-related certificates.

Annie Cheng, Chief of Staff - Executive Office

Ms. Cheng has been with PHA for over 9 years, starting out as a technical aide for the Housing Choice Voucher Program before serving as a Business Analyst for the Information Systems Management Department.

Ms. Cheng was also Senior Management Specialist of the Strategic Planning Office. In that role, she led the department in tracking and ensuring completion of the PHA Recovery Plan, the development and submission of Moving to Work Plans and Reports to HUD, and the development of the Management Action Plan, which will streamline the agency's business operations and maximize resources.

Currently, Ms. Cheng serves as Chief of Staff and is responsible for managing the office, activities, and key priorities of the agency's President & CEO. She also acts as the President & CEO's representative and primary liaison to external and internal constituents.

Ms. Cheng received a B.S. in Management Information Systems from Drexel University.

Keith Daviston, Senior Executive Vice President & Chief Financial Officer - Finance Department

Mr. Daviston is responsible for overseeing the agency's general accounting, budget, treasury, accounts payable, accounts receivable, payroll, and the finances of PHA's affiliates. He also serves as the Treasurer of the PHA Board of Commissioners.

Mr. Daviston came to PHA from the Urban Affairs Coalition of Philadelphia where he served as Chief Financial Officer and Treasurer. Before that, he worked as CFO at the Tri-County Community Action Partnership in Bridgeton, NJ. He also has significant private sector experience as the CFO of Alternative Fuel Distributors, and has held management roles at Bank of America, MBNA America, and the J.C. Penney Corporation. Mr. Daviston is a Certified Public Accountant with a degree in accounting from Slippery Rock University. He is a retired Army National Guard Officer with the rank of Major.

Celeste Fields, Executive Vice President - Leased Housing Department

Ms. Fields oversees the Leased Housing Division, which includes the Housing Choice Voucher (HCV) Program, PHA's largest housing program, serves nearly 20,000 low-income households, and has a budget of over \$194 million. She recently served as Acting Executive Vice President – Finance and Chief Financial Officer, where she was responsible for overseeing the agency's general accounting, budget, treasury, accounts payable, accounts receivable, and payroll. Ms. Fields has worked at PHA since 2000, has assisted in re-engineering the business processes and procedures of the agency to improve its efficiency and identify cost savings.

Ms. Fields is a graduate of Drexel University.

Faisal G. Hassan, Executive Vice President & Chief Information Technology Officer - Information Systems Management Department

Mr. Hassan has 26 years of experience in computer technology, 22 of which have been at PHA at various levels. He started out as a system developer and advanced to his current position. During his tenure at PHA, the agency has developed and implemented: local and wide area networks; the PeopleSoft human resource, payroll and time & labor systems, as well as financials; supply chain, E-procurement; PeopleSoft CRM, which includes customer case management and work order/field services; a public housing application system that is used to manage housing applicants, customers, houses/units and occupancy; an Interactive Voice Response system across the organization, e-procurement and electronic invoices; and online reports that provide current financial and operation information for management.

Mr. Hassan has a Master of Science degree in Software Design from Temple University and a Bachelor of Science degree in Computer Science from Rowan University. He also has an Associate Certificate of Project Management from George Washington University.

Dinesh Indala, Executive Vice President - Public Housing Operations Department

Mr. Indala currently supervises all property management and maintenance activities for PHA. He oversees 800 employees who handle public housing operations. He is ultimately responsible for the maintenance and upkeep of PHA's entire public housing portfolio, including all emergency and routine maintenance issues for nearly 15,000 PHA-related units throughout Philadelphia, as well as the rehabilitation of vacated units.

Mr. Indala earned a B.S. in Mechanical Engineering from DEI University in Agra, India and an M.S. in Industrial Engineering/Quality & Reliability from Rutgers University. He is also Lean/6 Sigma certified by Villanova University.

Michael Johns, Senior Executive Vice President - Capital Projects & Development Department

As PHA's sole Senior Executive Vice President, Mr. Johns oversees PHA's Capital Projects & Development Initiatives. A licensed architect and Philadelphia native, Mr. Johns also temporarily served as PHA's Acting Chief Operating Officer. Prior to that, he was General Manager of Community Development and Design for more than a decade, a role in which he was responsible for the master planning and designs of over \$1 billion in new and renovated housing. He served as a commissioner on the old city Zoning Code Commission, where he helped rewrite and modernize the code. In 2013, Mr. Johns was appointed by Mayor Michael Nutter to the City's first Civic Design Review Committee, which will advise the City Planning Commission as it reviews development proposals.

Mr. Johns is a graduate of Temple University and is a LEED-accredited professional.

Janea Jordon, Executive Vice President - Office of Audit and Compliance

As the Executive Vice President of the Office of Audit and Compliance, Ms. Jordon oversees PHA's internal audits, investigations, and compliance-related activities. The department is tasked with helping to identify and reduce risks; ensuring that policies, procedures, laws and regulations are followed throughout PHA; and safeguarding the efficient and effective use of resources. She also serves as the primary point of contact in all external audits and reviews.

Ms. Jordon has worked at PHA since 2005. She previously served as the head of PHA's Quality Assurance Department and then the Deputy Director of Audit and Compliance.

Ms. Jordan is a graduate of Spelman College and the Georgia Institute of Technology.

William Myles, Executive Vice President - Community Operations and Resident Development Department

Mr. Myles leads PHA's Office of Community Operations and Resident Development (CORD). CORD's mission is to offer programs to residents that will provide them opportunities to achieve self-sufficiency. The department focuses on education, job training, job placement, job retention, financial planning, and homeownership. Mr. Myles oversees youth programs, senior programs, community outreach, case management, community partner training programs, and PHA's revamped Pre-Apprenticeship Program.

Mr. Myles comes to PHA from the Meridian Housing Authority in Meridian, MS, where he served in a number of positions, including Family Self-Sufficiency Coordinator and Hearing Officer, before being promoted to Director of Community and Supportive Services.

Mr. Myles is a graduate of the University of Southern Mississippi and holds an MBA from the University of Phoenix.

Keith J. Richardson, Managing Director - Philadelphia Housing Authority Development Corporation (PHADC)

Mr. Richardson directs the Philadelphia Housing Authority Development Corporation (PHADC), a non-profit arm of PHA. He oversees key initiatives, including the development of additional public housing units and mixed income, and mixed-use projects and commercial activities. PHADC also markets vacant retail space to prospective tenants, negotiates for the sale, lease or development of property, and generates new revenue streams of nonfederal funding.

Mr. Richardson most recently served as the City of Philadelphia's Revenue Commissioner and worked with former Mayor Nutter's administration on tax reform, job creation, and legislation to increase funding for the City and the School District. Prior to that, he was Director of the Bureau of Compliance for the State Department of Revenue under Governor Ed Rendell. He also worked as a loan portfolio manager and lending officer for the North Philadelphia Financial Partnership, the seventh largest community development institution in the U.S., and conveyed the first empowerment zone loan in the nation.

Mr. Richardson received undergraduate and graduate degrees in business administration from Duquesne and Eastern Universities.

Erik Soliván, Senior Vice President - Office of Policy, Research, and Enterprise Planning

Mr. Soliván leads PHA's Office of Policy and Enterprise Planning, which is tasked with setting policy for the agency, developing and implementing plans that will impact the agency such as Choice Neighborhoods Initiatives and PHA's Strategic Directions Plan, developing and managing strategic partnership with government entities, non-profit and for profit organizations, developing and managing grant opportunities, analyzing legislation and trends in the housing industry, and setting long-term and short-term initiatives for PHA.

Prior to joining PHA in 2012, Mr. Soliván was a Senior Analyst in the Management Consulting Group at Public Financial Management, Inc. where he provided financial, technical, operational and policy analysis through the development of multiyear plans for various local government entities. Mr. Soliván also served as Special Assistant to the Deputy Secretary in the Pennsylvania Department of Community and Economic Development. In that role, he managed legislation analysis, policy and programmatic reforms on a wide range of housing, community, economic development, and local government issues.

Mr. Soliván is a graduate of the Rutgers University School of Law, where he received the Dean's Pro Bono Publico Award for his service to the community of Camden, New Jersey. He was a Henry J. Raimondo Fellow at the Rutgers University Eagleton Institute of Politics. Erik is a graduate of Haverford College with a Bachelor of Arts in Political Science and The Episcopal Academy. He has been admitted to practice law in the Commonwealth of Pennsylvania.

Joanne Strauss, Executive Vice President - Human Resources Department

As PHA's Executive Vice President of Human Resources (HR), Ms. Strauss is responsible for employment practices and decisions that impact PHA's employees and business operations, including recruitment and retention, training, performance and management, compensation and benefits, retirement planning, labor and employee relations, and employment and compliance. Additionally, Ms. Strauss currently serves as the Chair of the PHA Pension Board.

Prior to serving as PHA's head of HR, Ms. Strauss joined PHA in 2010 as an attorney in the Office of General Counsel, after practicing tax and assessment law for the City of Philadelphia, and working as a tax consultant, where she assisted closely held corporations with tax planning and compliance. Ms. Strauss also clerked in the First Judicial District of Pennsylvania, served as a Hearing Officer at the Chester Housing Authority, and worked in the area of human resources for a professional sports team in South Florida.

Ms. Strauss received her Juris Doctorate from Nova Southeastern University Shepard Broad Law Center and her Master of Laws in Taxation from Villanova University School of Law. Ms. Strauss is licensed to practice law in Pennsylvania and New Jersey, and before the United States Tax Court.

Nichole Tillman, Executive Vice President - Communications Department

With over 15 years of public relations experience, as PHA's Agency Spokesperson and Executive Vice President of Communications, Ms. Tillman oversees all public relations and communications efforts for PHA employees and residents, stakeholders, and the media. Ms. Tillman was also instrumental in managing crisis communications during PHA's highly publicized leadership transition period.

Ms. Tillman began her career as a book publicist in New York City, after which she became the first in-house publicist for USA WEEKEND Magazine, the second largest magazine in the country at the time. In another first, while serving as the Vice President of Publicity for the World Famous Harlem Globetrotters, she implemented over 200 publicity campaigns throughout the U.S. and abroad and secured multiple first-time national media appearances, as well as traditional and trade media coverage.

She has also created and directed partnerships with several media powerhouses including, Viacom, Disney, Paramount, and countless media outlets, broadcast shows, and production companies.

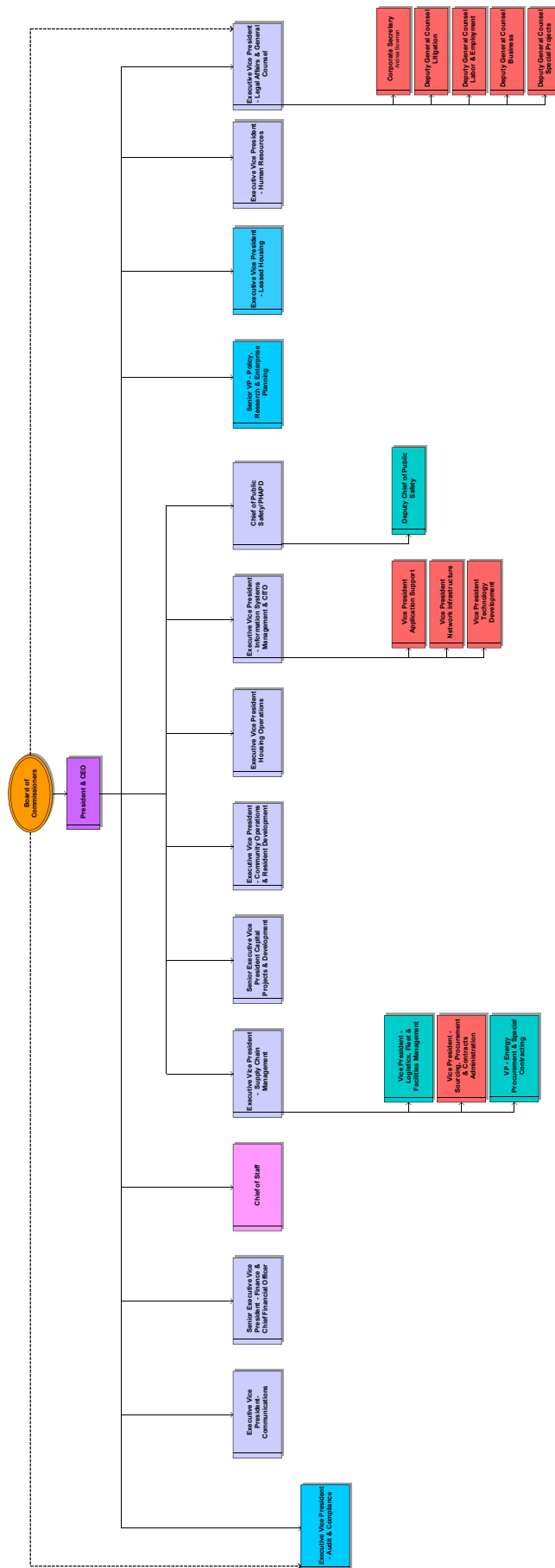
Ms. Tillman is a graduate of Norfolk State University, serves as a member of the PHA Pension Board, and as Board Vice-Chair of Cindy's Legacy.

Dave Walsh, Executive Vice President - Supply Chain and Facilities Management Department

Mr. Walsh has worked at PHA since 2008. Currently, he oversees PHA's procurement, contracts, contract administration, fleet, warehouse, and facilities management operations. For over a decade before coming to PHA, worked at Computer Expressions, a Philadelphia manufacturer of computer accessories, where he was Senior Vice President of Purchasing and Operations, heading manufacturing, fulfillment, and IT at the company. He also worked at Cardinal Health in Swedesboro, NJ, an \$8.1 billion a year distributor of pharmaceuticals, where he was the Logistics Manager and was Lean/6 Sigma Project Sponsor certified.

Mr. Walsh began his career as an Officer with the U.S. Army (92A, Commander) spending 6 years specializing in maintenance, supply, and purchasing and contracting.

Mr. Walsh has a B.A. in Fine Arts and Russian from Kutztown University and is an instrument rated pilot.



SECTION II - STRATEGIC DIRECTIONS PLAN

In 2014, PHA engaged in a comprehensive strategic planning process involving residents and employees, the Board of Commissioners, social service and advocacy organizations, elected officials, property owners, funders, and other community stakeholders, resulting in the creation of the Strategic Directions Plan. The Strategic Directions Plan reaffirms and enhances PHA's ongoing commitment to preserve and expand the supply of quality affordable housing, support efforts to strengthen families and be an active and engaged partner in building safe, sustainable communities. It also highlights PHA's commitment to conducting business in an open and transparent manner, which adheres to the highest ethical standards.

STRATEGIC PRIORITIES

The twelve (12) Strategic Priorities described in the Plan provide a framework for PHA's activities and resource allocation decisions for a period of five years, and was created in response to the challenges and opportunities identified during the planning process.

For each of the strategic priorities, PHA has identified performance measures and series of strategic initiatives and/or projects to be accomplished by 2019. The results of these efforts for the FY 2016 are described below. It is important to note that many of the strategic initiatives and projects listed below depend on the availability of sufficient funding and/or other external factors not within PHA's control and may affect the agency's ability to fulfill its plans.

PRIORITY 1 - PRESERVE AND EXPAND THE SUPPLY OF AFFORDABLE HOUSING AVAILABLE TO PHILADELPHIA'S RESIDENTS WITH LOW-INCOMES

This strategic priority encompasses PHA's goal to both increase the overall supply of affordable housing and to preserve and maintain its existing portfolio to the greatest extent feasible. PHA will continue its own development efforts and work with public and private partners to significantly increase the leverage of PHA's limited resources. The focus on new development will provide quality housing that supports neighborhood revitalization for high priority populations including veterans, people with disabilities, seniors, and homeless families. The following are some highlights of PHA's Department of Capital Projects and Development accomplishments in FY 2016.

FY 2016 Progress Update

Choice Neighborhoods Initiative (CNI) for Norris Homes and the North Central Philadelphia in partnership with residents, the City and key stakeholders. PHA is the Housing Lead under the North Central Choice Neighborhoods Implementation Grant, awarded by the U. S. Department of Housing and Urban Development (HUD) in June of 2014 in the amount of \$30 million. In cooperation with the City's Office of Housing and Community Development and HUD, the housing initiative under the grant involves the demolition PHA's existing 147 rental units at Norris Apartments, along with the new construction, in five phases, of 297 units located on the existing site of Norris Apartments and within the surrounding neighborhood. The revitalization effort will bring 267 rental units, which will include 147 Norris Replacement Units, 90 affordable and 30 market rate rental units; 30 units will be developed as a mix of affordable and market rate homeownership. Construction is projected to begin in October of 2016.

Choice Neighborhoods Initiative Transformation Plan for Blumberg/Sharswood in partnership with residents, the City and key stakeholders. PHA has spearheaded a community-wide effort to transform the blighted and abandoned Sharswood/Blumberg neighborhood. The planning effort was supported by a \$500,000 federal CNI Planning Grant and resulted in a Transformation Plan for community revitalization and the development of 1,203 mixed income rental and homeownership units. Included in this plan are new commercial and educational facilities, an employment readiness program, and small business development initiatives, along with other services designed to create a community of choice and opportunity.

PHA is already putting the Transformation Plan into action. Financing has been secured and construction began in September of 2015 on the first phase, consisting of 57 rental units. PHA has also created the Sharswood Small Business Fund to encourage the improvement and expansion of businesses on Ridge Avenue. The \$500,000 Small Business Fund program is available for current and new businesses and is comprised of a \$75,000 grant from the Santander Bank Foundation, \$150,000 in consulting services from the Enterprise Center, a \$100,000 grant from the City Department of Commerce, and \$175,000 in loan funds from the Small Business Association.

Complete development of new replacement family housing at Queen Lane. The new Queen Lane Apartments are located in the city's historic Germantown neighborhood, covering the entire square block that is bordered by Penn Street on the north, Queen Lane on the south, Priscilla Street on the west, and Pulaski Avenue on the east. The \$22 million development contains 55 affordable rental units in a mix of modern, efficient, two-story flats, walk-up apartments, and three-story townhouses. Queen Lane Apartments also contains a community room and a management office with meeting rooms, all of which are handicapped-accessible. The redeveloped site features green space on what was a Potter's Field, which fronts the redeveloped site and will be maintained as open space, with a historic marker. PHA signed a "Programmatic Agreement" that protects the site with HUD, the State Historic Preservation Office, and the Advisory Council on Historic Preservation. A number of other neighborhood groups are also signatories to the agreement.



A grand opening of the first building was held on December 15th, 2015 at the 300 block of West Queen Lane, which celebrates the transformation of the former high-rise site to two story townhomes. Construction is expected to be completed by April 2016.

Development of new family housing at Strawberry Mansion/Oakdale, Gordon Street, Markoe Street and Queens Row. PHA acquired the vacant 29 unit Queen's Row complex in Germantown on June 28, 2013. PHA's development affiliate, Philadelphia Housing Authority Development Corporation (PHADC) completed the rehabilitation of the complex and transformed the site into a mix of 24 affordable housing rental units, and 5 market rate rental units. The project was completed in December of 2015 and is fully occupied.



PHA's "6 in 5" initiative. PHA's "6 in 5" Program, which has established the ambitious goal of developing and/or preserving 6,000 units over five years, is a key component of PHA's efforts under this strategic priority. There is an existing pipeline of planned projects scheduled for completion over the next several years, including comprehensive revitalization plans for Norris Homes and Blumberg Apartments under the Choice Neighborhoods Initiative, the development of new replacement housing at Queen Lane and Strawberry Mansion and construction of several new developments in collaboration with well-qualified local partners. Nearly 100 units of newly-developed units were added to inventory during this fiscal period.

With a backlog of over \$1.2 billion in capital needs at existing sites, PHA is moving to convert more than 3,400 units to the Rental Assistance Demonstration (RAD) program, which will generate nearly \$100 million in private capital funds. Through the RAD "Transfer of Assistance" provision, operating and capital assistance will be transferred from approximately 986 long-term vacant and uninhabitable scattered sites to new housing units, on a one-for-one basis, rehabbed or developed throughout the City by PHA and other non-profit development partners. In FY 2017, over 400 new construction or rehabbed housing units will be financed under Transfer of Assistance; 74 units will be financed under Phase 1 at Norris Apartments as part of the Choice Neighborhoods Initiative; 47 units at Plymouth Hall, and 470 units operated by Alternative Management Entities (AMEs) will be converted to RAD.

Scattered Site Asset Repositioning Strategy. PHA has the largest scattered sites portfolio of any housing authority in the country. Many of them were acquired in the 1960s and 70s and some were built over a century ago. These properties have become increasingly difficult to manage, given their age, the state of disrepair of some, and the agency's limited resources.

PHA has completed an evaluation study to right-size the portfolio for optimal management. Under the repositioning strategy, PHA evaluates units as they become vacant, preserves units located in areas of opportunity that can be feasibly modernized, and works with City agencies, affordable housing developers, community development corporations, and others to address units that PHA is not able to efficiently operate. The strategy and activities are intertwined with the RAD initiatives noted previously.

PHA anticipates bringing back about 500 vacant units for occupancy by the end of 2017, as well as conducting auctions and other strategic dispositions of several hundred surplus properties. PHA has renovated and reoccupied 200 units under this initiative.

Finding funding opportunities to address replacement of other obsolete public housing units. In addressing the needs of PHA's existing portfolio, PHA will continue to work to secure capital grants and other funding to redevelop or replace developments that are functionally obsolete. PHA will utilize comprehensive physical needs assessments and other studies to identify priority capital improvement projects for inclusion in PHA's Multiyear Capital Plan.

Collaboration with the City and local agencies to provide opportunities to reduce and prevent homelessness. Working with the City's Blueprint to End Homelessness Program and the Department of Veteran's Affairs, PHA is committed to eliminating homelessness in the City of Philadelphia. PHA provides up to 500 housing opportunities for formerly homeless families and individuals every year and is committed to housing an additional 500 families and individuals each year through June 2018. These activities include continuing to maximize leasing under the Veterans Affairs Supportive Housing (VASH) program and providing operating support for new construction projects. In FY 2016, the IMPACT Veterans program completed an 18-unit project under this initiative. In FY 2017, PHA will further support the development of housing for veterans and their families by providing operating and capital assistance under the RAD Transfer of Assistance Program to a non-profit organization called HELP V, which will rehab a former school building to create 25 affordable housing units for veterans.

Expanded use of the HCV Program to house more than 3,700 families with low incomes. The Housing Choice Voucher Program experienced tremendous growth during the past fiscal year. Nearly 500 new landlords have registered and received training for participating in the program and nearly 4,000 additional families have access to affordable housing units.

PRIORITY 2 - ACHIEVE EXCELLENCE IN THE PROVISION OF MANAGEMENT AND MAINTENANCE SERVICES TO PHA RESIDENTS

This strategic priority focuses on PHA's activities and initiatives to manage and maintain the existing, owned portfolio of nearly 15,000 housing units at 58 housing developments and scattered site locations throughout the City. The Operations staff provides these services for the conventional public housing developments and scattered site locations, while staff from PHA's Philadelphia Asset and Property Management Corporation (PAPMC) entity supports twenty-four (24) Low Income Housing Tax Credit sites. Private management entities manage and maintain eleven (11) developments under contract with PHA. PHA's goal is to provide excellent management and maintenance services to all residents, an increasingly challenging task in light of ongoing reductions in federal operating funds and the age and physical conditions of many PHA housing developments. The following are some highlights of PHA's department of Housing Operations accomplishments in FY 2016.

FY 2016 Progress Update

Asset Management Consolidation. PHA implemented an asset consolidation program in an effort to streamline property management operations ensuring greater fiscal responsibility at the site level. As part of the transition agreement with HUD to return to local control, PHA agreed to implement an Asset Management model. Implementation included project based budgeting, accounting, management and performance assessment. The consolidation services were tailored to the unique needs of each property, and provide resources to the assembled properties. Under this program the property management services are arranged, coordinated, and/or overseen by management personnel who have been assigned responsibility for the day-to-day operations of the properties and who are charged with direct oversight of operations of those properties. To date PHA has completed the consolidation of a total of 24 sites as part of this initiative.

Public Housing Admissions. In FY 2016, PHA successfully housed 677 public housing applicants from its waitlist. Another 295 applicants were screened for eligibility and suitability. Additionally, 159 homeless families that were referred to PHA by the City under the Blueprint Program were successfully housed and 85 applicants requiring wheelchair accessible units were transitioned to appropriate units.

Real Estate Assessment Center (REAC). For the past three years, it has been PHA's plan to improve the physical conditions of our existing sites. One of the best indicators of this is the scores received during the annual HUD Real Estate Assessment Center (REAC) inspections. These inspections are completed by independent contractors, and include a meticulous review of the physical conditions of the site, common areas, building exteriors, and randomly selected occupied units. In an effort to improve the physical conditions of our sites, and improve the REAC inspection scores, PHA overhauled its Preventative Maintenance and Uniform Physical Conditions Standards (UPCS) inspection process. This process was formerly managed by site staff, and has since been transferred to a central department to manage the inspection process and prioritize repairs. In addition, PHA has selected its most experienced REAC personnel to be involved with the inspection process. This includes not only visually and physically preparing for inspections, but also accompanying inspectors to ensure they are properly citing deficiencies.

As a result of these in procedural enhancements, PHA's average score for the past three years has increased, by 17%.

Preventive Maintenance Inspection Program. The Preventive Maintenance Inspection Program (PMI) was launched in 2013 to ensure that all Public Housing units meet or exceed the Uniform Physical Conditions and Standards. The infrastructure for the program was designed to increase operational effectiveness, prevent the failure of building materials and systems, and retain a safe and healthy environment for PHA residents.

In order to create a leaner, more cost effective procedure for inspecting each of the required occupied units, PHA trained 17 Maintenance Mechanics, strategically assigned each mechanic to a site with a rotating schedule, and authorized them to perform PMI inspections in each unit. The PMI goal is for 10% of all public housing units to be inspected per month for 10 months during the fiscal year. The areas of concentration for PMI are HVAC System and filter changes, hot water tanks, electrical systems, plumbing systems and fixtures, carpentry, smoke detectors, carbon monoxide detectors, and extermination.

To maximize efficiency and reduce the overall cost of inspections, iPads were distributed to the mechanics for work use. This technology provided a return on investment within the first year of its use, decreasing the time for data entry, document organization and review, and resulting in the completion of 12,673 PMI inspections, exceeding the goal for the fiscal year.

Service Orders. Annual goals were also exceeded in completion of service orders, as the Maintenance department completed over 120,000 service orders, with an average completion time of only 23 days, exceeding past performance. In addition, PHA successfully rehabbed approximately 1,043 vacant units, including 261 scattered site units, and 782 conventional units.

PRIORITY 3 - CREATE SAFE COMMUNITIES IN COLLABORATION WITH NEIGHBORHOOD RESIDENTS AND LAW ENFORCEMENT AGENCIES

This strategic priority focuses on the efforts of the PHA Police Department (PHAPD) to ensure that residents live in safe communities. PHA's goal is to reduce crime rates at its public housing developments so that they are lower than the average Part I and II crime rates (under the definitions of the Uniform Crime Reporting Program) for their respective neighborhoods. Therefore, PHA implemented activities designed to maximize the positive public safety impact through close collaboration with residents and local law enforcement agencies. PHA recognizes that law enforcement efforts alone cannot guarantee community safety and that neighborhood residents need to be involved in public safety planning and implementation efforts in a meaningful way. The following are some highlights of PHA's Office of Public Safety accomplishments in FY 2016.

FY 2016 Progress Update

Improve communications by partnering with residents and law enforcement. In FY 2016, PHA continued to implement its policing efforts using a community-policing model that ensures regular police presence and interaction with residents at targeted high-crime sites. The PHAPD has collaborated with the community by establishing a Police Advisory Council that meets on a monthly basis, comprised of Resident leaders from across the City. The concerns of residents are addressed at these meetings and dealt with in real time. Community meetings at each development are scheduled throughout the year to discuss and instruct the proper procedure for crime reporting as well as how not to be a victim of a crime.

Community Policing practices. The PHAPD has continued to enhance the Community Policing practices by dividing the city into two regions of Regional Operational Commands (ROC). An Inspector oversees each region; there is Regional Operation Command North and Regional Operation Command South. Each region is split into two quadrants. These quadrants are assigned to a specific lieutenant who attends all community meetings in their assigned area and provides their contact information to the residents so that potential problems or concerns can be dealt with immediately.

Meetings and Communication/Coordination Protocols between the PHAPD and the PPD. The PHAPD attends regular planning meetings with the Philadelphia Police Department (PPD). Weekly Compstat Meetings are held by the PPD and are attended by the ROC Commanders. Crime patterns from all areas, including PHA developments, are discussed as well as possible solutions. The ROC commanders attend regular meetings with the Captains of the Districts and the PHAPD Investigations Unit deals on a regular basis with PPD Homicide, State Parole, US Marshals, PPD Special Victims Unit, the Drug Enforcement Administration (DEA), and the High Intensity Drug Trafficking Areas Program (HIDTA).

Annual Review of Public Safety Needs and Priorities at each PHA Development. The PHAPD has implemented a policy of conducting Site Security Surveys for each PHA development and business offices. These surveys provide a detailed critique of the overall site and indicate deficiencies in the overall security. Recommendations are given to enhance the security of the facilities and to provide a safe environment for the residents and PHA workers. These measures will serve to reduce risk and to improve communication between the PHAPD and its partner agencies.

Expansion of CCTV with 24hr monitoring. PHAPD has invested \$10 million to expand the network of Closed Circuit Television Vision Safety Monitoring System to 734 cameras at nearly 30 sites.

Youth Violence Prevention Plan Strategy. As part of the PHA Police Department's collaboration with the City and consortium of community agencies on youth violence prevention strategic plan, the PHAPD has taken the following steps to achieve the common goals:

- PHAPD's community relations officers are active participants in the "CHEERS" (Community Health Enrichment Empowerment Resources) program.
- PHAPD works in conjunction with PPD to dedicate and open ministrations in North Philadelphia (Harrison Plaza) and West Philadelphia (West Park).
- PHAPD organizes sports activities as well as after-school homework programs.

As part of the continuing effort to strengthen training and oversight of the security guard contractors, PHAPD has put in place a Compliance Manager. The Compliance Manager handles resident complaints immediately, communicates with contractors about past performance, and ensures that any deficient guards are removed.

PRIORITY 4 - ENHANCE RESIDENT WELL-BEING AND INDEPENDENCE THROUGH PARTNERSHIPS FOR EMPLOYMENT, JOB TRAINING, EDUCATION, HEALTH, AND OTHER EVIDENCE-BASED SUPPORTIVE SERVICES

This strategic priority reflects PHA's commitment to eliminating barriers to employment, encouraging economic self-sufficiency, promoting healthy lifestyles, and assisting all PHA residents to achieve their full potential. This is an enormous challenge: more than 93% of resident households earn less than 50% of Area Median Income; 48% of households are headed by persons with disabilities; 35% of households are headed by seniors; and more than 34,347 children reside in PHA. Recognizing the scope of resident needs and the complexity of intergenerational poverty, PHA will continue to enhance its efforts to create and foster partnerships with agencies and institutions that have resources and expertise that can leverage PHA's limited funding.

Below are some highlights of PHA's Community Operations and Resident Development (CORD) accomplishments in FY 2016, as PHA works collaboratively to remove obstacles and expand economic opportunity, by expanding workforce training and employment opportunities, improving educational outcomes for PHA residents, and supporting families in achieving self-sufficiency and economic mobility through innovative partnerships with state, city, and non-profit agencies, universities, and social services organizations.

FY 2016 Progress Update

Youth Enrichment Services

After School and Summer Programs. Youth programming at PHA reached new heights in FY 2016. PHA coordinated a summer program to serve 68,639 nutritious meals and offer Summer Camp at 17 sites, punctuated with activities such as basketball tournaments, spelling bees, and "STEM" (Science, Technology, Engineering and Math) contests. In the

Summer Camp program, 360 youth participants read at least 15 minutes per day, in accordance with School District of Philadelphia recommendations.

A first annual citywide PHA Spelling Bee, with 72 participants was held, with winners performing two years above grade level. STEM activities included water density filtering experiments, complemented by trips to the water department to view the application of the law of density in filtering Philadelphia drinking water, and a bridge building contest, where youth discovered the strength of the triangle for construction. A citywide PHA basketball league was also formed, with both summer season regular games and a Round Robin playoff. PHA concluded its summer programming by issuing 2,784 book bags filled with supplies; supported by Citizen's Bank.

In addition to the summer programming, PHA competitively procured four vendors to provide year round afterschool services to 280 children residing at 13 sites. All programs meet the PHA standard of homework assistance, literacy and numeracy training, community service, and recreation.

Education, Job Training, and Employment Services

Section 3 Program. Section 3 of the HUD Act of 1968 requires recipients of certain HUD financial assistance to provide job training, employment, and contract opportunities for low (or very low) income residents in connection with certain projects and activities in their neighborhoods to the greatest extent possible.

During FY 2016, PHA contractors hired 24 Section 3 residents. In addition, PHA utilized its Section 3 Job Bank, which is designed to connect residents with employment and training opportunities offered by PHA contractors and vendors in a variety of different industries. At the time of publication, 21 jobs were posted to the Section 3 Job Bank, and over 10 of those jobs have been matched with qualified Section 3 residents.

Jobs Plus. PHA, in partnership with Philadelphia Works Incorporated (PWI), Raymond Rosen Manor Resident Council and a group of committed and highly qualified local partner agencies, was awarded \$2.7 million from HUD to implement the Jobs Plus Pilot Program. The Jobs Plus Pilot Program is an intensive four-year program of employment-readiness, job training, job placement, and support services for the residents of the Raymond Rosen public housing development. The grant funds will leverage an additional \$6.79 million in PHA and partner agency resources that will help eliminate barriers to employment, provide job training and job placement support, reduce unemployment rates and increase household earnings for participating adult residents. Among other outcomes, over the four-year grant term, the program is projected to assist 315 residents at Raymond Rosen with finding new employment and an additional 100 currently employed residents to achieve increased employment earnings. Other related goals include working with residents to improve their financial literacy and computer skills.

Community Partners Programs. The Community Partners Programs assists residents with life skills and career training. PHA collaborates with local organizations to provide its residents with educational and workforce training opportunities to help them attain economic independence, empowerment, and self-sufficiency through education and job training. During the past fiscal year, the training included Human Services, Certified Nursing Assistant and Phlebotomy, Dental Technician, Pharmacy Technician, Community Health Worker, Housekeeping, Front Desk and Culinary Arts. Residents also participated in the Workforce Ready program and Entrepreneur Works offered training for residents seeking to start or expand their own business. All programs help participants overcome challenges and attendance has been above 80%. As of this fiscal period, a total of 86 residents completed job-training programs and 75% achieved employment.

GED Programs. In an effort to improve the literacy rates among our residents, PHA continues to pursue and enhance its partnerships with local universities to help provide more opportunities for public housing residents to achieve their GED and move onto college or receive post-secondary education. In addition, the "PHA Academy" provides direct adult basic education and GED classes and PHA's partnerships with Drexel University, Temple University, and the Community College of Philadelphia provide expanded opportunities for adults and youth to complete their GED and help make college a viable option. In FY 2016, a total of 61 residents completed the adult education courses and 3 residents received their GED.

PhillySEEDS. PhillySEEDS, Inc., established in 2013, is a duly incorporated 501(c) 3 tax- exempt charitable organization, related to PHA, that seeks to promote the welfare of public and assisted housing residents, through philanthropic activities, community-based partnerships and special initiatives. In FY 2016, the PhillySEEDS Scholarship Program awarded \$219,000 in scholarship to support 55 PHA residents pursuing higher education and vocational training. Along with this program, PhillySEEDS, working with CORD, assisted numerous residents under its Homeownership Closing Cost Assistance program, providing closing cost assistance towards the purchase of their first home, and the Affordable Rental Assistance program, where Housing Choice Voucher residents can receive security deposit assistance towards the execution of their new lease.

Senior Adult Day Center Program. The state of Pennsylvania has the 5th largest growing senior population in the nation, with 18% of the population of Philadelphia being 60 years old or older. PHA provides housing to over 7,000 seniors, which creates a need for adult day centers. Ridge Avenue Eldercare Services (“Center”) is fulfilling that need in the PHA community. As a certified Adult Day Center, the Center offers an affordable alternative to nursing home care; offers full and half day programming that allows older adults a chance to leave their homes and get involved with others socially; gives caregivers respite; and allows individuals loved ones to be in a safe and caring environment. The Center is a medical model that employs nurses and certified nursing assistants and focuses on providing care for seniors with functional impairments, Alzheimer’s disease, and related dementias. Transportation to the Center is provided and, while there, seniors can engage in therapeutic activities as well as receive physical therapy, personal care assistance, occupational therapy, and two nutritious meals and a snack.

Smoke Free Housing. PHA is the largest housing authority in the country to adopt a Smoke Free Policy, which bans smoking at all properties, except for designated smoking areas. In collaboration with PHA’s resident leadership, PHA established a Smoke Free Taskforce consisting of staff and residents, with assistance from the Philadelphia Department of Public Health, worked for months to design the policy, which CORD is responsible for monitoring and reporting to the Board of Commissioners as to its effectiveness.

Homeownership. During FY 2016, a total of 42 PHA residents became first time homebuyers through the assistance of PHA’s Homeownership programs, which include the Housing Choice Voucher Homeownership program that converts the tenant rental assistance voucher into a mortgage subsidy, and the Section 5H program, which will be converted to an amended Section 32 Program during the upcoming year.

PHA is committed to helping residents become self-sufficient and make the leap to homeownership, by partnering with Santander Bank, PNC Bank, Clarifi, and the City’s Financial Empowerment Center to expand financing options for homebuyers. During FY 2016, approximately 550 PHA residents received credit and housing counseling, which skills will assist residents in making more sound financial decisions that can translate into better opportunities in homeownership, job placement, financial savings and education.

Resident Council. CORD spearheads both resident development and capacity building in order to build effective leadership and honor PHA’s commitment to resident inclusion in policy and program development, through structured procedures, defined groups, and standing and ad hoc committees that engage in honest discussions. CORD subcontracted with the Urban Affairs Coalition to conduct capacity building training with the Resident Councils to improve self-governance and communications among members.

The largest resident forum is the Resident Council monthly “Resident Round Table,” to discuss programs and policies, raise issues and offer solutions. Uniquely, the meeting agenda is set by interaction with a “Resident Engagement Committee,” which helps to select agenda items to be addressed by the broader body of resident leaders. Resident involvement ranges from conceptualization and planning to implementation and evaluation.

As a result of these regularly scheduled resident opportunities for resident input, as well as issue-specific ones (such as the Smoke-Free task forces), PHA is better positioned to improve the quality of life for all who live in public and assisted housing.

PRIORITY 5 - IMPROVE ACCESS TO QUALITY HOUSING CHOICES AND OPPORTUNITY NEIGHBORHOODS THROUGH THE HOUSING CHOICE VOUCHER PROGRAM

The Housing Choice Voucher (HCV) Program is PHA’s largest single housing program. In FY 2016, PHA reached a record high for providing housing subsidies to over 18,000 families with low-incomes. The program also provides assistance through project-based vouchers. Currently over 1,900 housing units in the City of Philadelphia are supported under the project-based program.

This strategic priority incorporates ongoing and planned initiatives designed to maximize utilization of PHA’s limited HCV resources, streamline services to owners and participants, and encourage voucher holders to live in areas with employment, educational and other opportunities. Major objectives include achieving and maintaining high performance on key benchmarks such as utilization, inspections, and recertifications. The following are some highlights of PHA’s Leased Housing accomplishments in FY 2016.

FY 2016 Progress Update

Admissions. As previously stated, in FY 2016 admissions to the HCV Program reached a record high utilization rate of 93% up from 89% from the prior fiscal year. HCV currently serves over 18,000 low-income families in Philadelphia.

Blueprint to End Homelessness. PHA works closely with the City of Philadelphia and many local mission-driven agencies towards the goal of reducing and ultimately eliminating homelessness, including providing 500 housing opportunities each year specifically for homeless citizens as part of the “Blueprint to End Homelessness” initiative. In FY 2016, HCV continued its commitment to serve the homeless populations in the City by issuing over 345 vouchers, housing a total of 410 individuals and families.

Veterans Affairs Supportive Housing (VASH). PHA is collaborating with the City, the department of Veterans Affairs and local non-profit organizations to eliminate homelessness among our nation’s veterans. PHA currently has housed 617 veterans, of which 220 were housed this fiscal period, in the Veterans Affairs Supportive Housing Voucher (VASH) program.

Second Chance Program. In FY 2016, HCV issued 10 vouchers through its partnership with the United States Probation office and the Mayor’s office of Reintegration services, to aid re-entry of returning citizens into society. The program provides comprehensive and collaborative oversight by judges, prosecutors and defense attorneys, and offers a variety of social services to the participants. PHA is looking to expand its participation in this program.

Mobility Program. PHA launched a Housing Opportunity Program (HOP), a regional mobility program that encourages HCV residents to consider opportunity areas in the Philadelphia and surrounding counties as part of their housing search. It also provides workshops on budgeting, goal setting, landlord/tenant rights and responsibilities and more, enabling participants to be successful renters and prepared for their new communities.

HOP currently enrolls over 200 families. Participants receive counseling services and other training before, during, and after their move, to help them to succeed and thrive in their new communities. In FY 2016, HOP assisted in leasing approximately 74 participants in opportunity areas throughout the Philadelphia region, opening opportunities to greater economic, educational and social mobility. As a result of HOP participation, the number of families living below the poverty rate decreased by almost 20 percentage points, from 34% of total families to 14%.

PRIORITY 6 - INCORPORATE ENERGY CONSERVATION MEASURES AND SUSTAINABLE PRACTICES THROUGHOUT PHA OPERATIONS

Conserving energy and implementing sustainable materials and practices throughout PHA is the focus of this strategic priority. PHA expends approximately 29% of its public housing operating budget on utilities, making it the single largest expense category outside of personnel costs. Thus, energy conservation over the next five years has significant potential to reduce PHA’s operating costs while enhancing the quality of life for residents.

In August 2012, PHA’s Board adopted a Sustainability Policy for the agency and authorized the creation of a Sustainability Working Group. PHA is committed to the following:

- Conducting its housing development and property management activities in a socially, environmentally, and economically responsible manner;
- Reducing its energy consumption and increasing its use of alternative energy sources;
- Minimizing its environmental impacts in the areas of waste, water, energy, and air quality;
- Providing leadership and education for its staff and resident families about best sustainability practices and healthy living choices; and
- Increasing the number of opportunities in low and high-skill green jobs.

In FY 2016, PHA saved a total of \$692,968 through its sustainability effort in utility reimbursements, training, recycling, and grants.

FY 2016 Progress Update

Recycling. Since implementation of single stream recycling at five administrative locations in February 2014, PHA has diverted 285 tons of waste from landfills. Additionally, the agency continued its in-house recycling program this past year, capturing and selling 166,749 pounds of recyclable boxes, scrap metal and appliances, generating \$52,650 in revenue, and saving \$121,324 in dumpster costs. Since its implementation in November 2011, this program has sold 393,000

pounds (nearly 200 tons) of waste materials, generated revenues of \$173,974, and saved \$121,324 in dumpster costs. ***The Better Buildings Challenge (BBC).*** The Better Buildings Challenge is an initiative of the U.S. Department of Energy (DOE) designed to improve the lives of the American people by driving leadership in energy innovation. Better Buildings is a voluntary leadership initiative that aims to make commercial, public, industrial, and residential buildings 20 percent more energy efficient over the next 10 years. This means saving hundreds of billions of dollars on energy bills, reducing greenhouse gas emissions, and creating thousands of jobs.

Energy Procurement Contracting is a HUD-supported financing structure that will enable PHA to install energy and water-saving measures, with the entire cost paid from savings on future utility bills. PHA expended \$23.5 million on electricity, gas and water.

PHA is negotiating an energy performance contract that will include; an energy and water audit (EPC audit), an audit of PHA's energy management system, a green physical conditions assessments for certain PHA sites, and other related audits and assessments. The resolution is expected to go to Board for approval in the spring of 2016. Once enacted, the program is projected to reduce PHA's expenditures on electrical (20%), natural gas (15%), and water (40%).

Benchmarking Grant. PHA was awarded a \$50,000 grant from the Energy Foundation to begin benchmarking its energy and water consumption, in order to meet the BBC's requirement. Working with the advisors funded by the grant, PHA has begun to compile a comprehensive database of its energy consumption and expense.

In-Kind Benefits. PECO, a BBC ally, has committed to providing PHA with 10,000 efficient light bulbs and 1,000 energy efficient refrigerators. Implementation has begun: PECO has already distributed 3,200 light bulbs and is reviewing the first 219 requests for refrigerators.

HUD Energy Efficient Units Grant. PHA was awarded a HUD technical assistance grant to establish a protocol for Energy Efficient Unit turnover, and provide staff training.

Environmental Protection Agency (EPA) Training and Jobs for Residents. The EPA has provided funding of \$199,205 to train 25 PHA residents in waste remediation and environmental health and safety. The 25 trainees will be selected from 80 applicants referred by PHA from its Section 3 Job Bank registry. Each trainee will receive 262 hours of instruction and, upon successful completion, receive a certification and job placement in a full time position with one of 25 participating companies in the Philadelphia area. This training program was recognized as the Interstate Renewable Energy Council's 2013 Clean Energy Training Program of the Year.

Resident and Staff Engagement. PHA developed a Green Action Plan and Green Operations and Maintenance Manual for employees and contractors; partnered with the Philadelphia Horticultural Society and initiated a pilot tree-planting program with residents of the Richard Allen LP to plant 50 trees; and teamed up with GRID magazine to distribute more than 8,000 of the Sustainability magazines to PHA residents and staff.

Energy Efficient Vehicles. PHA purchased 26 fuel-efficient vehicles this fiscal period and retired obsolete or inoperable vehicles.

Citywide Initiatives. PHA's Sustainability Coordinator was invited by the Philadelphia Energy Authority to participate in the "Energy Salon," a group convened by the agency and comprised of various stakeholders involved with energy efficiency matters. The Salon meets quarterly to discuss important energy issues. The PHA Sustainability Coordinator is also a member of the Philadelphia Solar Working Group, which will develop proposals for solar incentives with a goal of 20,000 homes powered by solar by 2025.

In addition, in FY 2016 PHA completed the solicitation for the procurement of natural gas and electricity, which allows PHA to buy commodities from the market place at current rates, which may reduce costs.

PRIORITY 7 - IMPROVE CUSTOMER SERVICE, STREAMLINE OPERATIONS, AND CREATE A BUSINESS MODEL THAT IS DATA-DRIVEN AND HIGH PERFORMING

Under this strategic priority area, PHA will utilize technology, training, and data-driven analysis to improve customer service and create a more efficient, streamlined organization. PHA recognizes that dealing with a large organization can be a complex and sometimes frustrating experience for residents, vendors, and the public. The agency is committed to improving this experience by, among other initiatives, improving its telephone systems, streamlining the call center, and enhancing the website to increase self-service options.

FY 2016 Progress Update

An analysis of the call center is in progress following the consolidation of operations, expansion to a 24hr operation, which will be followed by restructuring efforts designed to ensure that all calls, particularly service orders, are routed efficiently and responded to by qualified subject matter experts. It is anticipated that a dedicated call center for HCV participants and property owners will be created through this initiative.

PHA plans to assess several areas of its operations, including warehouse and inventory systems, property management delivery, and other functions to identify potential efficiencies and cost-savings measures.

Management reports and software applications will be enhanced to support asset management and other initiatives and to ensure that PHA management have accurate and timely data available to monitor performance and inform the decision-making process.

The Information Technology department developed an Executive Dashboard reporting key analytics in real time such as rent collection, budgeting, unit leasing, unit turnover and other Key Performance Indicators for each department.

PRIORITY 8 - CONDUCT PHA BUSINESS IN AN OPEN AND TRANSPARENT MANNER THAT PROMOTES ACCOUNTABILITY AND ACCESS, ENSURES DIVERSITY, AND ADHERES TO THE HIGHEST ETHICAL STANDARDS

This strategic priority reflects PHA's values as a public organization and a commitment to openness and accountability in all agency matters. In addition to contracting for annual financial audits performed by independent experts, PHA will continue to implement a comprehensive internal audit, compliance, and quality control program designed to improve operations, ensure regulatory and PHA policy compliance, and eliminate fraud, waste, and abuse. The following are some highlights of accomplishments in this area for FY 2016 by PHA's departments of Supply Chain Management, Information Systems Management and the Office of Audit and Compliance.

FY 2016 Progress Update

Supplier Diversity. PHA's Supply Chain Management (SCM) Department plays a key role in the business success of the agency and ultimately businesses in the city and region. PHA does business with as many local companies as possible, including some run by PHA tenants. Over the past fiscal year, PHA increased the number of small, minority owned businesses used by PHA, through its affirmative action contracts and compliance programs that work with Minority Business Enterprises (MBEs) and certified Women Business Enterprises (WBEs). In 2015, PHA improved its record for contracting and subcontracting with MBEs/ WBEs. For the year long period ending on September 30, 2015, PHA's participation rate was 57% for MBEs and 30% for WBEs, compared to the federal standard of 20% for MBEs and 10% for WBEs.

The MBE/WBE numbers are based on modernization and management of contracts totaling over \$77 million. Of that total, over \$51 million in contracts were awarded to MBEs while more than \$27 million went to WBEs. Of the MBE and WBE contract awards, 52% went to African American businesses, 2% went to Hispanic American business owners, and 3% went to Asian Pacific American companies.

In addition to working with diverse businesses, PHA is committed to working with vendors to meet Section 3 Policy requirements and provide economic opportunities to the communities it serves. Twice per year, PHA holds "Doing Business with PHA," a networking event where vendors can learn about business opportunities and how to register with PHA for those opportunities.

Information Systems Management. PHA's Information Systems Management (ISM) Department completed a Customer Relationship Management (CRM) system upgrade that positively affects the agency's public housing management applications. ISM spearheaded PHA's comprehensive security and surveillance project, completing installation at 27 out of 28 sites and offices. PHA also completed installation of a disaster recovery site to ensure that the agency continues to function in the event of an unforeseen disaster.

Audit and Compliance. The Office of Audit and Compliance (OAC), created in 2011, is tasked with monitoring, evaluating, and providing oversight to ensure PHA's regulatory and operating compliance. With reporting accountability to PHA's President & CEO, Board of Commissioners, and, most importantly, to the public, the three (3) divisions that comprise OAC – Internal Audit, Compliance, and Investigations – are utilized in various ways to achieve its mission.

- The Investigations Unit is tasked with investigating allegations of fraud, corruption, official misconduct, conflicts of interest, abuse of authority and other criminal offenses with respect to employees, residents and persons or entities doing business with PHA. Throughout the year, the Investigations Unit received 753 complaints which ultimately led to the investigation of 404 cases that uncovered fraud in the amount of \$3,375,064.
- The Internal Audit (IA) Department assists PHA management and the Board of Commissioners through the Audit Committee by determining the effectiveness of PHA's internal control systems. IA's annual agency-wide risk assessment process produces an audit plan that prioritizes audits based on identified risks. By conducting risk-based audits and reviews, IA provides reasonable assurance regarding PHA's compliance with laws, regulations, policies, and procedures; achievement of business objectives; reliability of financial and management reporting; and safeguarding of assets. In FY 2016, the Internal Audit Department's audit reviews resulted in an actual recovery and savings of \$64,069. IA also identified an additional \$500,000 in potential recovery and savings.
- The Compliance Department within OAC works closely with internal departments throughout PHA to ensure efficiency and effectiveness within PHA's operations, programs, and services. Over the past fiscal year, these partnerships have led to the development and implementation of initiatives that have cut costs and increased productivity throughout PHA, resulting in dollars saved, resources spared, and man hours conserved. Supplementary to the Internal Audit Department, the Compliance Department assists with eliminating waste and achieving compliance with applicable rules, regulations, policies and procedures. In fiscal year 2016, the Compliance Department's reviews resulted in \$111,323 in compliance streamlining, and \$71,624 wage compliance recoveries.

In this time of shrinking federal dollars, OAC's efforts include not only realizing recoupment of monies owed, but also implementing proactive efficiencies in how PHA performs its operations. OAC made numerous recommendations in FY 2016 through Audit and Compliance reports aimed at improving internal controls throughout the agency and optimizing how PHA does its day-to-day business.

With the ongoing support of PHA's Board of Commissioners, the Audit Committee, PHA's executive team, PHA staff, residents, and contractors, OAC will continue to work diligently to protect PHA's assets by combating fraud, waste, and abuse.

PRIORITY 9 - STRENGTHEN EXISTING RELATIONSHIPS AND FORGE NEW PUBLIC, PRIVATE AND PHILANTHROPIC PARTNERSHIPS TO SUPPORT PHA'S STRATEGIC GOALS

To successfully accomplish all of the goals under the Strategic Directions Plan, it is essential that PHA create new partnerships, and sustain and grow existing relationships. This strategic priority focuses on the need to identify and secure partners and resources to address the "hard" costs associated with developing new housing and preserving the existing housing portfolio and the "soft" costs associated with supporting resident employment, education, health care, youth development, and other supportive service's needs. The following are some highlights of PHA's Office of Policy, Research and Enterprise Planning in FY 2016.

FY 2016 Progress Update

Policy Research and Enterprise Planning (PREP). The major accomplishments of PREP for FY 2016 include the Board's acceptance of the Choice Neighborhood Transformation Plan for Sharswood/Blumberg in March of 2016, executing several Memoranda of Understanding (MOU) with outside organizations, and securing grants. Many of the MOU partnerships will support the ongoing transformation efforts in the Sharswood/Blumberg community, which received a Choice Neighborhoods Initiative Planning Grant. PREP secured a total of \$6,147,022 in government and foundation grants, which will support a variety of programs, including family self-sufficiency, the Summer Food Service Program, Asset for Independence, implementation of the Transformation Plan under Choice Neighborhoods Initiative in Sharswood/Blumberg, and PHA's Smoke-Free Policy. In addition, PREP acquired over \$6.7 million in leverage for the implementation of its Job's Plus Pilot Program and \$125,000 in leverage for the Ridge Avenue Small Business Fund, bringing the total financial impact to over \$12.8 million

PRIORITY 10 - MAKE PHA AN EMPLOYER OF CHOICE WITH AN ACCOUNTABLE, DIVERSE, TRAINED, AND PRODUCTIVE WORKFORCE

PHA employs more than 1,300 employees throughout its operations. Ensuring that every employee has the necessary training, tools, and other resources to do their jobs properly is the focus of this strategic priority. On an annual basis, PHA will establish and implement a training plan to build employee skills and capacity, and will conduct thorough performance evaluations designed to provide employees with meaningful feedback on their job performance. The following are some highlights of PHA's Human Resources Department in FY 2016.

FY 2016 Progress Update

In FY 2016, PHA's Human Resources Department completed an organization-wide training needs assessment to identify each department's training needs and create a comprehensive training catalog. Customer Service training, including Standards for Excellence in Customer Service, was designed and delivered throughout PHA.

PHA is committed to retaining high performing employees. To that end, the HR Department implemented various surveys for existing employees and new hires and made enhancements to the performance management system. The Employee Recognition Program was expanded to include Milestone Years of Service, presented at the Annual Employee Recognition Event, and Retirement Recognition.

PRIORITY 11 - ENSURE THAT PHA IS A GOOD NEIGHBOR AND RELIABLE COMMUNITY PARTNER

PHA is committed to being a good neighbor and reliable partner to the community at large and to neighborhood residents in and around PHA's current and planned housing developments. Toward this end, PHA plans to expand opportunities to solicit feedback, listen to, and have constructive dialogues with diverse members of the community. As noted earlier, PHA plans to expand use of feedback surveys from residents, HCV participants and owners, employees, vendors, and others to support these efforts.

PHA will continue to work to engage residents and neighborhood groups at the early stages of planned development initiatives in order to improve the flow of information, share ideas, and provide greater opportunity for input before plans are solidified.

FY 2016 Progress Update

At the new developments for FY 2016 – Oakdale, Gordon Street, Queens Lane and Queens Row – PHA provided the new tenants with supplies and recommendations for maintaining the interior and exterior of their units, and how to communicate with their neighbors.

PHA continues to rehab units in rapidly changing neighborhoods, utilize the RAD Program to convert older vacant sites to the development of affordable housing to expand housing opportunities for families with low incomes, and increase policing throughout the developments to reduce crime and improve community safety.

PRIORITY 12 - ENCOURAGE INNOVATION AND PROMOTE PHA'S FINANCIAL HEALTH THROUGH ONGOING PARTICIPATION IN THE MOVING TO WORK PROGRAM

Participation in the Moving to Work (MTW) Demonstration Program provides PHA with a set of tools and resources that are essential to addressing the needs of PHA's housing portfolio and residents. The regulatory and funding flexibility afforded by MTW has helped shape virtually all aspects of PHA's housing policies. It has been the single most important factor in PHA's ability to implement comprehensive redevelopment activities at distressed public housing developments, help transform Philadelphia's neighborhoods, and provide employment training and other supportive services to residents. The following is a status of PHA's progress in its efforts to advocate for an extension of the MTW Demonstration.

FY 2016 Progress Update

The innovative uses of MTW Block Grant funding flexibility have been essential ingredients in PHA's efforts to revitalize deeply distressed public housing developments and their surrounding community; leverage partnerships to build affordable new housing; support the City of Philadelphia's Blueprint to End Homeless initiative; assist residents to secure job training, job training placements, homeownership, and other opportunities. Since early 2014, PHA and other participating MTW agencies have engaged in negotiations with HUD regarding a long-term extension of the program. The federal Omnibus Bill signed into law by President Obama in December 2015, contains a critical provision that extends the current terms and conditions of the MTW Agreements for ten (10) additional years.

SECTION III- MOVING TO WORK PLAN AND REPORT

Moving to Work (MTW) is a demonstration program authorized by Congress, through which PHA and other participating agencies are given the flexibility to waive certain statutes and HUD regulations to design and test approaches for providing housing assistance that address one or more of the following statutory objectives:

- Reduce cost and achieve greater cost effectiveness in federal expenditures;
- Give incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and
- Increase housing choices for low-income families.

PHA is one of only thirty-nine (39) agencies nationwide that are designated to participate in the MTW Program. For 15 years, the agency thrived, largely due to the fiscal flexibility made possible by MTW, which allows PHA to break away from the one-size-fits-all public housing rules and regulations to create programs that work best for the City of Philadelphia.

Through MTW, PHA is able to waive program regulations and combine its major HUD funding sources into a single MTW Block Grant that can be used flexibly. PHA's current MTW Agreement runs until 2018 and will extend by another 10 years under the current terms and conditions.

The flexibility afforded by MTW has been a critical ingredient in PHA's ongoing efforts to revitalize distressed public housing, transform Philadelphia's neighborhoods and provide education, training and job placements for residents. It is essential to the success of planned housing and neighborhood revitalization initiatives under this plan.

PHA submitted its Annual Plan for FY 2017 to HUD, which provides information on activities planned by the agency under the MTW program, during the period of April 1, 2016 to March 31, 2017.

MTW Long-Term Goals and Objectives

During the first year of the MTW program, PHA established five (5) broad objectives for the MTW Demonstration Program:

- Reform the existing Housing Choice Voucher and Public Housing Programs to improve and increase the supply of quality affordable housing throughout the City of Philadelphia.
- Revitalize neighborhoods where MTW and MTW-eligible residents reside.
- Develop a MTW Family Program to furnish comprehensive family self-sufficiency services to eligible MTW families.
- Establish a Quality of Life Program to promote a living environment that fosters community values, encourages resident participation and positive peer group pressure, and reinforces the responsibilities of public housing residents, voucher participants, voucher landlords, and PHA to one another and to the broader community.
- Establish efficient operating procedures and implement cost-saving strategies.

PHA plans to implement a coordinated, comprehensive program of capital improvements, development activities, maintenance and management initiatives, and resident supportive services in FY 2017. PHA's funding for FY 2017 is unknown as of the publication date of the MTW Annual Plan; therefore, the activities described herein may be modified based on actual funding levels.

MTW activities are defined by HUD as only those activities that specifically require MTW authority or Block Grant flexibility to implement. Highlights of PHA's planned MTW activities include the following.

- **"6 in 5" Program** – PHA established this initiative to develop, acquire or preserve affordable housing in the City of Philadelphia. It involves a range of strategies including PHA-developed projects that provide for redevelopment and/or replacement of obsolete properties; initiatives to ensure the long-term affordability of Low Income Housing Tax Credit (LIHTC) properties; and partnerships with the City, non-profit agencies and local developers on new construction, acquisition and substantial rehabilitation projects. PHA utilizes MTW Block Grant and other non-MTW funding to support many of these developments. In addition to using MTW Block Grant funding to support these projects, PHA incorporates other MTW flexibility in admissions, continued occupancy and other programmatic requirements. In FY 2017, PHA projects that 46 new public housing units will come on line and an additional 1,938 units will be placed under project-based contracts under the Unit Based program (including RAD conversions).

- ***Neighborhood Transformation at Blumberg/Sharswood*** – PHA is working with community residents, the City and numerous partners to implement a comprehensive Choice Neighborhoods Transformation Plan in the Blumberg/Sharswood neighborhood that will be supported by private, federal, state, local and MTW Block Grant funds. This ambitious effort involves construction and/or rehabilitation of 1,203 affordable and market-rate units, which includes 420 homeownership units, at on and off-site locations; revitalization of commercial corridors; construction of a 120,000 sq. ft. PHA office facility; creation of new recreational facilities and green space; and, the establishment of a high performing K-8 school. To date, PHA has secured 9% LIHTC financing for Phase I, obtained HUD approval for the Phase I conversion under the Rental Assistance Demonstration (RAD) program and completed the relocation of all onsite public housing residents. Plans are nearing completion for demolition of existing public housing structures (except for one senior tower to be rehabilitated), clearing the way for a comprehensive revitalization effort. In FY 2017, PHA expects to complete construction of 57 Phase I rental units; commence rehabilitation of the 96-unit senior tower, secure financing and commence construction for a 150-unit off-site rental phase, a 25-unit off-site homeownership phase and the PHA office facility; and, solicit and evaluate private developer proposals for vacant parcels in the neighborhood.
- ***Norris Apartments/North Central Philadelphia Choice Neighborhoods Initiative Transformation*** – PHA is working in partnership with the City of Philadelphia, Norris Apartment Resident Council, residents and other partners to implement a Choice Neighborhood Initiative Implementation Grant in the North Central Philadelphia neighborhood that will result in extensive community improvements and construction of 237 rental and 60 homeownership units, of which 147 will be replacement housing, with \$30 million provided by HUD under the Implementation Grant. The grant leverages \$95 million in private equity, City of Philadelphia, RAD, LIHTC and other funding sources. In FY 2016, the overall site plan and neighborhood development program, including off-site housing locations, was substantially refined and modified through a collaborative process involving Norris Homes' residents and the key partners. Developer proposals were also solicited for off-site scattered site phases. In FY 2017, PHA projects that financing will be secured and construction commenced on Phase I comprising 74 rentals and 25 homeownership units.
- ***Strawberry Mansion Neighborhood Transformation*** - PHA is investing over \$25 million to spur the revitalization of the Strawberry Mansion community in North Philadelphia. In FY 2016, PHA completed construction and occupancy of two new Unit-Based developments in the neighborhood, Oakdale (12 rental units) and Gordon Street (21 rental units). In FY 2017, PHA expects to begin construction on the 55-unit Arlington Monument rental development with support from an anticipated 9% Low Income Housing Tax Credit allocation, RAD Program funding, and other sources.
- ***2012 Chestnut Street Redevelopment*** - PHA has issued a solicitation for development partners for the redevelopment of the former PHA headquarters site located at 2012 Chestnut Street. While plans are not finalized, PHA is seeking to create a mix of resident, office and other commercial uses including an affordable rental component serving families with incomes at or below 80% of Area Median Income. PHA anticipates that MTW Block Grant funds will be utilized to support affordable housing development and long-term operating costs.
- ***Homeless Veterans Initiative*** – PHA is collaborating with the City, the Department of Veterans Affairs, and local non-profit organizations to eliminate homelessness among our nation's veterans. In FY 2017, these activities will include continuing to maximize leasing under the Veterans Affairs Supportive Housing (VASH) and providing operating support for two new project-based developments that will provide housing for veterans and their families, HELP V (25 units) and Impact Veterans (8 units).
- ***RAD*** - PHA is working to preserve its existing public housing developments, reposition its scattered site portfolio and expand housing opportunities through the RAD program. PHA will utilize its MTW Block Grant and MTW programmatic flexibility to support the conversion of over 3,400 public housing units to 20 year project based assistance contracts under RAD. This includes transferring subsidies through the RAD "Transfer of Assistance" provision from approximately 986 long-term vacant and uninhabitable scattered sites to new projects developed throughout the City by PHA and other non-profit development partners. In FY 2017, a series of 12 RAD transactions under Transfer of Assistance and Phase 1 of the Norris Apartments under the CNI Implementation Grant will be financed, and 47 units at Plymouth Hall as well as 470 units under Alternate Management Entities (AMEs) portfolio are scheduled to convert to RAD.
- ***Energy Performance Contracting*** - The MTW Agreement, Attachment D, authorizes PHA, to enter into new Energy Performance Contracts (EPCs) or modify existing EPCs. In FY 2016, PHA conducted extensive planning and analysis to determine whether to procure an Energy Service Company (ESCO) or function as its own ESCO. The efforts will continue in FY 2017 and beyond, including procurement of appropriate services in order to structure, plan and move forward with implementation of an EPC. Depending on the provisions of any such extension, the proposed EPC and ESCO initiatives may extend beyond the MTW Agreement's term. PHA will factor this issue into its planning and, if needed, will consult with HUD.

- ***Self-Sufficiency and Youth Development Programs*** – PHA utilizes MTW Block Grant and other leverage or grant funds – including private and other funds raised through PhillySEEDS, Inc. – to support extensive youth development, adult education, employment and training, nutrition and other supportive services. In FY 2017, PHA plans to continue these efforts including programs to provide scholarships, afterschool, summer camp, and preschool programming for PHA's young residents. PHA also plans to continue its summer food program at 20 conventional sites. The program is partially funded by the Pennsylvania Department of Education. PHA augments it with summer camp activities. PHA will also continue to offer a broad array of self-sufficiency services focused on helping residents prepare for the workforce and obtain jobs with living wage incomes. PHA's program design incorporates appropriate incentives and disincentives, is evidence-based and is outcome-driven. A critical ongoing objective is for PHA to maximize and leverage its investments through innovative partnerships with State, City, and non-profit agencies, universities, and social services organizations. A major focus in FY 2017 and beyond will be to improve employment outcomes and prepare residents to benefit from economic activity in both the Norris and Sharswood/Blumberg Choice Neighborhoods.
- ***HCV Mobility Housing Opportunity Program*** – As previously mentioned, PHA will continue implementation of the Housing Choice Voucher Housing Opportunity Mobility Program in FY 2017. HUD funded the initial pilot program; however, due to its successes, PHA elected to use MTW funding to continue it indefinitely. The overall goal is to encourage voucher holders to find housing and jobs in areas that provide higher economic, educational, and social mobility opportunities both within and outside of the City of Philadelphia. Participants are provided with a broad range of supportive services, housing counseling, and other efforts to promote the successful transition to higher opportunity areas.
- ***Second Chance Initiative*** – PHA will continue to implement a time-limited, ten voucher pilot program to provide supportive services and housing subsidies to formerly incarcerated returning citizens that are active participants in good standing with the Eastern District Federal Court Supervision to Aid Reentry (STAR) Program and Mayor's Office of Reintegration Services (RISE) Program.
- ***Nursing Home Transition*** – PHA will continue to work with the City and State to provide affordable housing opportunities for people with disabilities who are able to transition from nursing homes to community-based settings.
- ***Asset Management*** – Utilizing MTW flexibility, PHA has established a Local Asset Management Plan. In FY 2017, PHA will continue efforts to consolidate and streamline property management and maintenance operations based on asset management principles and in response to reduced federal funding. The goal of this effort is to more closely align PHA's asset management to multi-family industry norms, with allowances for the unique features of PHA's organization and portfolio.
- ***Rent Simplification Initiatives*** – PHA will continue to implement previously approved MTW initiatives that simplify program administration and provide incentives for economic self-sufficiency.

Along with its MTW implementation activities, PHA will implement other initiatives in FY 2017 that do not specifically require MTW authority or Block Grant flexibility to administer. Highlights of PHA's planned Non-MTW activities include the following.

- ***Reducing Homelessness Initiative*** – In addition to the homeless veterans initiatives noted above, PHA will continue to actively collaborate with the City, social service and local nonprofit agencies on a series of initiatives to reduce and help prevent homelessness. Under the Blueprint to End Homelessness program, PHA plans to provide 500 housing opportunities annually for formerly homeless families or individuals that are leaving transitional housing.
- ***Liddonfield Redevelopment*** – PHA is working to promote redevelopment of the former Liddonfield Homes public housing site to include affordable senior housing, market-rate and commercial uses. PHA issued a solicitation for developer proposals, and will continue in FY 2017 to finalize plans to secure financing and developer partners.
- ***Right Sizing Occupancy Initiative*** – PHA will continue its efforts to "right size" resident housing based on current family composition. This initiative is part of PHA's long-term efforts to ensure that scarce housing resources are used in the most efficient manner possible, while also supporting the scattered site repositioning effort. The program primarily impacts residents of scattered sites. PHA expects that some residents may elect to purchase their homes rather than move, while other homes will be made available for sale or other disposition as residents move to smaller size units.

- ***Improving Access to PHA Programs and Services*** – PHA will continue to ensure open access to PHA programs to non-English speakers and the hearing/sight impaired. Implementation of the Board-approved Limited English Plan will continue in FY 2017 including the provision of translation services, development of new translated forms and other efforts to promote access and diversity.
- ***Lease Enforcement*** – PHA will strengthen its internal efforts to ensure enforcement of all lease provisions, including increasing rent collections and ensuring timely management responses to lease violations.
- ***Prudent Fiscal Management and Internal Controls*** – PHA will continue to implement a comprehensive program of internal audit, compliance reviews and fiscal management. In FY 2016, PHA retained its AA- investment grade credit rating from Standard and Poor's Rating Services, which provides independent verification of the efficacy of these efforts.
- ***Grant Opportunities*** - PHA plans to actively pursue other funding opportunities that may include Jobs Plus, Choice Neighborhoods Implementation funding for Blumberg/Sharswood, Family Self Sufficiency Coordinator, ROSS Coordinator, Summer Food Service Program and other available funding opportunities from foundations, state and local government to support all PHA operations.

PHA will periodically review and revise ongoing initiatives (both MTW and non-MTW activities) as needed in response to current conditions and priorities and to take advantage of new/emerging opportunities. For more details related to the FY 2016 MTW Annual Plan, please see Appendix A.

SECTION IV- FINANCIAL SUMMARY

Pennsylvania State law requires that all general-purpose local governments and component units publish a complete set of financial statements, presented in conformity with generally accepted accounting principles in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants. RSM US LLP, formerly known as McGladrey, LLP, audited PHA's financial statements to complete a Comprehensive Annual Financial Report of PHA for the fiscal year ended March 31, 2015.

The report contained management's representations concerning PHA's finances. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management of PHA has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of PHA's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, PHA's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

The goal of the independent audit was to provide reasonable assurance that the financial statements of PHA for the fiscal year ended March 31, 2015 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that PHA's financial statements for the fiscal year ended March 31, 2015, are fairly presented in conformity with GAAP.

FINANCIAL REPORT FOR FY 2016

- PHA's assets exceeded its liabilities at the close of the most recent fiscal year by \$1,075.4 million (net assets). Of this amount, \$534.4 million were unrestricted net assets, which include \$376.6 million of mortgages receivable from PHA's discretely presented component units. The remaining unrestricted net position of \$147.8 million may be used to meet PHA's ongoing obligations to clients and creditors.
- PHA's total FYE 2015 net position decreased by \$21.7 million over FYE 2014.
- PHA's total operating revenue for FYE 2015 was \$368.2.7 million, \$19.9 million more than total operating expenses (excluding depreciation).
- PHA's total liabilities of \$94.1 million, as of March 31, 2015, decreased \$7.6 million compared to total liabilities as of March 31, 2014.

For more details, please see Appendix B.

GRANTS SUMMARY

PHA's objective for grant-driven programs and partnerships is to continue to cultivate supportive partnerships and secure resources to implement community services and strategic programs that support PHA's core mission, which will result in an improved quality of life for PHA residents and surrounding communities.

Active Grants	Funder	Award Date	Expiration Date	Award Amount
2015 Summer Food Service Program	PA Department of Education	4/30/2016	9/30/2016	\$ 201,835.39
2011 ROSS Family Service Coordinators	HUD	9/22/2011	3/22/2016	\$ 676,741.00
Centers for Disease Control (CDC) City of Philadelphia Health Dept. & PHA Community Transformation Grant	CDC	1/1/2012	12/31/2017	\$ 505,020.00
Congregate Housing Services Program	HUD	10/1/2015	9/30/2016	\$ 113,879.00
Choice Neighborhood Planning - Blumberg	HUD	11/22/2013	11/21/2015	\$ 500,000.00
2015-16 FSS Program Coordinators	HUD	1/1/2016	12/31/2016	\$ 414,000.00
2014-15 FSS Program Coordinators	HUD	1/1/2015	12/31/2015	\$ 410,547.00
Assets for Independence (AFI) Program	Department of Health & Human Services, Office of Children and Families (OCF)	9/30/2014	9/29/2019	\$ 100,000.00
Jobs Plus Pilot Program	HUD	1/2016	12/31/2019	\$ 2,700,000.00
Ridge Avenue Small Business Development Fund	Philadelphia Commercial Development Corporation	1/2015	12/2016	\$ 100,000.00
Early Childhood Education Program	The Green Light Fund	11/2015	11/2019	\$ 350,000.00
Ridge Avenue Small Business Development Fund	The Santander Bank Foundation	6/2015	6/2017	\$ 75,000.00
TOTAL				6,147,022.00

SECTION V – OFFICE OF GENERAL COUNSEL

PHA's Office of General Counsel (OGC) is responsible for ensuring that PHA receives the highest standard of legal representation. The department provides legal advice on a wide range of matters, including: interpreting HUD's rules and regulations; reporting to HUD; representing PHA in litigation; handling administrative hearings concerning both residents and employees; counseling other departments on corporate, real estate, and employment matters; closing development and financing transactions; administering the Boards and Managers of PHA's controlled entities and the PHA Board; managing outside counsel; and advising on ethics matters. OGC also manages PHA's insurance and risk management functions. The following are some highlights of PHA's legal affairs in FY 2016:

Improvements to the Grievance and Informal Hearing Program. OGC has expanded the grievance and informal hearing program to include admissions hearings for HCV and formalized the admissions hearing process for public housing; Admissions hearings, HCV informal hearings and public housing grievance hearings are all now recorded, making the judicial appeals process more efficient.

The number of informal HCV hearings has been reduced by over half (from 806 in FY 2015 to 396 in FY 2016), due to improvements by OGC and HCV in the HCV dispute resolution processes. This reduction in the number of hearings saves substantial administrative cost for PHA and assists residents to achieve a faster, more direct resolution of their issues.

- ***Energy Performance Contracting Initiative.*** OGC led the effort to issue an RFP to enable PHA to identify an energy services company to implement energy savings initiatives paid from the savings generated. This initiative is expected to produce millions of dollars of savings for PHA.
- ***Energy Purchasing Program.*** OGC led contract negotiations to conclude electricity and gas supply contracts locking in lower rates for these commodities and therefore lower utility costs for PHA.
- ***Improved Corporate Governance regarding PHA-Controlled Entities.*** In order to best assure the limited liability benefits of entities PHA creates to undertake its activities and to position PHA to generate non-federal funds to supplement the annually diminishing federal resources HUD provides to PHA, OGC initiated a Board re-organization of all PHA-controlled entities and is leading the effort to establish necessary time and cost records to enable the repayment of federally-funded PHA resources used so that non-federal funds, when produced, can be identified.
- ***Completed First RAD Transaction in PA.*** OGC worked with the Office of Policy, Research, and Enterprise Planning Department and outside counsel to complete the closing of the financing of Blumberg Phase I, a 57-unit development, which is the first RAD transaction to close in Pennsylvania.
- ***Successful Defense of Queen Lane Development.*** OGC and its outside counsel partner successfully defended PHA against an injunction attempt and this enabled the continued construction, completion and occupancy of the Queen Lane Development, which otherwise would have been delayed, resulting in a substantial loss of the value of the low income housing tax credits involved in the financing.
- ***Risk Control Program Award.*** Through the continued and effective loss control efforts of the Risk Management Division of OGC, PHA received the outstanding Risk Control Program Award for 2015. Those loss control efforts involved PHA staff and residents and included defensive driver training, slip and fall training and kitchen fire safety training.
- ***Numerous Substantial Collections, Settlements and Dividends.*** OGC collected \$100,000 in each of two matters (Lutter v. PHA and Del Collo v. PHA); over \$100,000 of amounts on old property claims; over \$400,000 from a negotiated indemnification settlement and a capital dividend of over \$136,000; and a RAMP dividend of over \$106,000 relating to insurance.
- ***Assisted with Eliminating the Backlog of Reasonable Accommodations Requests.*** OGC assisted PHA Admissions with addressing the backlog of reasonable accommodations requests, streamlined processes relating to such requests and completed training of managers regarding reasonable accommodations legal requirements and procedures.

SECTION VI – OTHER RELEVANT ACTIVITIES

HONORS AND AWARDS

In FY 2016, PHA gained recognition for quality work from its industry peers.

- The National Association of Housing and Redevelopment Organizations (NAHRO) honored PHA with a national Award of Merit for its Pre-Apprenticeship Program and its Philly SEEDS program. – May 2015
- MARC-NAHRO, the regional chapter of NAHRO, recognized Pre-Apprenticeship and Philly SEEDS programs with an Award of Excellence. – May 2015
- The Pennsylvania Association of Housing and Redevelopment Agencies (PAHRA) recognized PHA with a Certificate of Merit for its Oakdale Street Apartments development in North Philadelphia – September 2015
- 10,000 Friends of Pennsylvania recognized Oakdale Street Apartments with a Commonwealth Award, the Opportunity for All Award, that honors completed affordable or special needs housing developments which advance community development initiatives, positively impacting communities with annual household incomes below the area median – December 2015

CONCLUSION

With the presentation of this report, the Philadelphia Housing Authority is pleased to have met the requirements set forth in Act 130 Section 24.1, regarding an annual review of its operations, administration, management, finances, legal affairs, housing production and development, and other relevant activities.

APPENDIX A

PHILADELPHIA HOUSING AUTHORITY



MOVING TO WORK ANNUAL PLAN FISCAL YEAR 2016 (APRIL 1, 2015 TO MARCH 31, 2016)

FIRST SUBMISSION TO HUD ON JANUARY 13, 2015

SECOND SUBMISSION TO HUD ON APRIL 17, 2015

THIRD SUBMISSION TO HUD ON SEPTEMBER 11, 2015

FOURTH SUBMISSION TO HUD ON SEPTEMBER 16, 2015

APPROVED BY HUD ON SEPTEMBER 29, 2015

RAD SIGNIFICANT AMENDMENT #1 SUBMITTED TO HUD ON JANUARY 14, 2016

RAD SIGNIFICANT AMENDMENT #1 APPROVED BY HUD ON MARCH 9, 2016

RAD SIGNIFICANT AMENDMENT #2 SUBMITTED TO HUD ON MARCH 17, 2016

PHILADELPHIA HOUSING AUTHORITY
MOVING TO WORK ANNUAL PLAN – FISCAL YEAR 2016

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APPENDICES (under separate cover)

- A. Local Asset Management Plan
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- C. Asset Management Table
- D. MTW Total Development Cost Limits and Housing Cost Caps (updated 2014)
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- F. Annual Statement/Performance and Evaluation Report
- G. RAD Significant Amendment #1 (January 2016)
- H. RAD Significant Amendment #2 (March 2016)

I. INTRODUCTION

This Annual Plan provides information on activities planned by the Philadelphia Housing Authority (PHA) under the Moving To Work Demonstration Program (MTW) for PHA Fiscal Year 2016, i.e. the period from **April 1, 2015 to March 31, 2016**.

PHA has been an MTW agency since April 2001, operating under an MTW Agreement with the U.S. Department of Housing and Urban Development (HUD). The MTW Agreement as amended describes the authority and flexibility granted to PHA under MTW and the requirements for participation.

MTW is a demonstration program authorized by Congress, through which PHA and other participating agencies are given the flexibility to waive certain statutes and HUD regulations to design and test approaches for providing housing assistance that address one or more of the following statutory objectives:

- 1) Reduce cost and achieve greater cost effectiveness in Federal expenditures;
- 2) Give incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and
- 3) Increase housing choices for low-income families.

Through the MTW Demonstration, PHA will continue to substantially transform its properties and programs, utilizing flexibility provided by the MTW Agreement in virtually every area of agency operations. In an era of diminishing Federal resources, effective and innovative use of MTW flexibility is more critical than ever to the future of PHA and its residents.

MTW Long-Term Goals and Objectives

During the first year of the MTW program, PHA established five (5) broad objectives for the MTW Demonstration Program:

- Reform the existing Housing Choice Voucher and Public Housing Programs to improve and increase the supply of quality affordable housing throughout the City of Philadelphia.
- Revitalize neighborhoods where MTW and MTW-eligible residents reside.
- Develop a MTW Family Program to furnish comprehensive family self-sufficiency services to eligible MTW families.
- Establish a Quality of Life Program to promote a living environment that fosters community values, encourages resident participation and positive peer group pressure, and reinforces the responsibilities of public housing residents, voucher participants, voucher landlords, and PHA to one another and to the broader community.
- Establish efficient operating procedures and implement cost-saving strategies.

Under the direction of President and Chief Executive Officer, Kelvin A. Jeremiah, PHA has continued and expanded the use of MTW flexibility in promoting PHA's long-term strategic objectives. PHA has sharpened its focus on improving performance in core business operational areas including property management, maintenance services and resident services and on expanding partnerships with the City, non-profit agencies and other community stakeholders. PHA's focus emphasizes the need to strengthen people, property and partnerships. T

In FY 2015, PHA engaged in a comprehensive Strategic Directions planning process to identify long-term strategic priorities and initiatives. The process has involved the Board of Commissioners, employees, residents and an extensive group of community stakeholders. A draft of the Strategic Directions Plan had been published for public comment, and Board approval was received in December 2014. The planning process identified a new mission statement and twelve strategic priorities that provide a framework for both future MTW activities and PHA's overall management strategy:

1. Preserve and expand the supply of affordable housing available to Philadelphia's residents with low-incomes
2. Achieve excellence in the provision of management and maintenance services to PHA residents
3. Create safe communities in collaboration with neighborhood residents and law enforcement agencies
4. Enhance resident well-being and independence through partnerships for employment, job training, education, health and other evidence-based supportive services
5. Improve access to quality housing choices and opportunity neighborhoods through the Housing Choice Voucher program
6. Incorporate energy conservation measures and sustainable practices throughout PHA operations
7. Improve customer service, streamline operations and create a business model that is data-driven and high performing
8. Conduct PHA business in an open and transparent manner that promotes accountability and access, ensures diversity and adheres to the highest ethical standards
9. Strengthen existing relationships and forge new public, private and philanthropic partnerships to support PHA's strategic goals
10. Make PHA an employer of choice with an accountable, diverse, trained and productive workforce

11. Ensure that PHA is a good neighbor and reliable community partner

12. Encourage innovation and promote PHA's financial health through ongoing participation in the Moving To Work Program

With respect to strategic priority #12, the term of the MTW Agreement between HUD and PHA runs through Fiscal Year 2018. MTW regulatory and funding flexibility has been enormously important to PHA's efforts to revitalize deeply distressed public housing developments and their surrounding neighborhood, support the City of Philadelphia's Blueprint to End Homelessness initiative, and assist residents to secure job training, job placements, homeownership and other opportunities. PHA and other participating MTW agencies are currently engaged in discussions with HUD regarding a long-term extension of the program. In the coming months, PHA will continue discussions with HUD and other parties as needed with the goal of securing an MTW Agreement extension with substantially similar terms to the current Agreement.

FY 2016 Goals and Objectives

PHA plans to implement a coordinated, comprehensive program of capital improvements, development activities, maintenance and management initiatives, and resident supportive services in FY 2016. PHA's funding for this period is unknown as of the publication date of the MTW Annual Plan; thus, the activities described herein may be modified based on actual funding levels.

MTW activities are defined by HUD as only those activities that specifically require MTW authority or Block Grant flexibility to implement. Highlights of PHA's planned MTW activities include:

- ***"6 in 5" Program for an Affordable Future*** – PHA established this initiative to develop, acquire or preserve affordable housing in the City of Philadelphia. The initiative involves a range of strategies including PHA-developed projects that provide for redevelopment and/or replacement of obsolete properties; initiatives to ensure the long-term affordability of Low Income Housing Tax Credit properties; and partnerships with the City, non-profit agencies and local developers on new construction, acquisition and substantial rehabilitation projects. PHA utilizes MTW Block Grant and other non-MTW funding to support many of these developments. In addition to using MTW Block Grant funding to support these projects, PHA incorporates other MTW flexibility in admissions, continued occupancy and other programmatic requirements. In FY 2016, PHA and its partners projects that 293 new public housing units will come on line as shown in Table 1 of the MTW Plan, and an additional 350 units will be placed under Housing Assistance Payments contracts as shown in Table 3.
- ***Neighborhood Transformation Activities at Blumberg/Sharswood and Norris/North Central Philadelphia*** - A number of additional development projects will proceed during FY 2016 that involve both MTW Block Grant and other non-MTW funds including the Phase 1 redevelopment of Blumberg Apartments and the initial phase of the Choice Neighborhood Implementation Plan at the Norris Homes development. At Blumberg, PHA was awarded a \$12.5 million, 9% Low Income Housing Tax Credit award to partially fund Phase I activities

and is also engaging in a neighborhood-wide Transformation Plan through a \$500,000 Choice Neighborhoods Planning Grant. Both of these activities started in FY 2015. At Norris Homes, PHA received a \$30 million Choice Neighborhoods Implementation grant in FY 2015 and expects to finalize the first phase in FY 2016.

- ***Homeless Veterans Initiative*** – Working with the City and the Department of Veterans Affairs, PHA is committed to eliminating homelessness among our nation’s veterans. These activities include continuing to maximize leasing under the Veterans Affairs Supportive Housing (VASH) – which is a non-MTW program - and providing operating support for the new 18-unit IMPACT Veterans project that is currently under construction and projected to be ready for occupancy in FY 2016. The IMPACT Veterans project will utilize MTW Block Grant and other non-MTW funds.
- ***Scattered Site Asset Repositioning Strategy*** – PHA will continue implementation of an asset repositioning strategy for the scattered site portfolio to promote neighborhood revitalization, generate revenue, and reduce operating expenses. In addition to a disposition and auction of greater than 100 vacant and obsolete scattered site properties planned for FY 2016, PHA is working with partners to develop new small scale replacement housing projects using MTW Block Grant and/or other non-MTW funds that will help to strengthen and revitalize Philadelphia’s neighborhoods. PHA has also submitted an application to convert a number of long-term vacant scattered site units under the Rental Assistance Demonstration (see discussion below) in order to dispose of severely distressed units and preserve subsidy by developing replacement units. As noted below, RAD is not an MTW activity; however, PHA may request HUD approval to incorporate MTW funding and or other MTW programmatic flexibility into these transactions. PHA is also developing master plans for a number of Philadelphia neighborhoods that are under tremendous market rate development pressure in order to create and preserve affordable housing and allow low and moderate-income households to continue to benefit from access to and amenities of these areas. These areas include: Point Breeze, Temple Area, Brewerytown, Francisville, Spring Garden, and the Promise Zone in Philadelphia. MTW Block Grant and other non-MTW funding will be used to support PHA’s asset repositioning initiatives.
- ***Rental Assistance Demonstration*** – In FY 2014, PHA submitted an application to convert approximately 2,899 public housing units to project-based rental assistance under the Rental Assistance Demonstration (RAD) Program. Subject to HUD approval (which potentially could occur in FY 2016), PHA may use MTW Block Grant funding and MTW programmatic flexibility to the extent allowed by HUD under the RAD Notice and related guidance as part of the RAD conversion strategy. Through the RAD conversion process, PHA plans to raise new private capital funding to rehabilitate and preserve critically needed existing housing stock.
- ***Public Safety Initiatives*** – PHA will continue efforts to strengthen and improve safety and security for residents and staff including operating mobile mini-stations, bike patrols, and a Crime Suppression Team, as well as implementing automated security systems at PHA developments that allow for central control and monitoring. Using MTW Block Grant and other funding, PHA has adopted a community-policing model that links its policing activities

to the broader framework provided by the City's Police Department and works in conjunction with members of the business community, faith-based organizations, community groups, non-profit groups, victim service providers, health service providers, the media, individuals, and other city agencies. In tandem, a new task force consisting of residents, staff, and partners has been charged with identifying other strategies to fight crime at PHA developments under the PHA Safe, Affordable Housing for Everyone (SAFE) Program. PHA is also actively collaborating with the City and a consortium of local agencies to implement a comprehensive Youth Violence Prevention Strategic Plan.

- ***Energy Performance Contracting*** - The MTW Agreement, as amended, authorizes PHA, without prior approval from HUD, to enter into new Energy Performance Contracts (EPCs) or modify existing EPCs, subject to certain limitations set forth in Attachment D. In FY 2016 and continuing thereafter, PHA will determine whether to procure an Energy Service Company (ESCO) or function as its own ESCO, and will initiate procurement of appropriate services in order to structure, plan and move forward with implementation of an EPC. PHA anticipates that the MTW Agreement will be extended prior to 2018. Depending on the provisions of any such extension, the proposed EPC and ESCO initiatives may extend beyond the MTW Agreement's term. PHA will factor this issue into its planning and, if needed, will consult with HUD.
- ***Self-Sufficiency and Youth Development Programs*** – PHA utilizes MTW Block Grant and other funds – including private and other funds raised through the PhillySEEDS entity - to support extensive youth development, adult education, employment and training, nutrition and other supportive services. In FY 2016, PHA plans to enhance scholarship, afterschool, summer camp, and preschool programming. This includes enhancements to the after school youth programs which include homework assistance, project based learning, work experience, community service and recreation, including edutainment. A new initiative, Scholars' Internship Program (SIP), will be launched to augment existing scholarship program by offering internships to scholarship recipients in their major area of study. PHA also plans to continue its summer food program at 20 conventional sites. The program is partially funded by the Pennsylvania Department of Education. PHA augments it with summer camp activities. PHA will also continue to offer a broad array of self-sufficiency services focused on helping residents prepare for the workforce and obtain jobs with living wage incomes. PHA's program design incorporates appropriate incentives and disincentives, is evidence-based and is outcome-driven. A critical ongoing objective is for PHA to maximize and leverage its investments through innovative partnerships with State, City, and non-profit agencies, universities, and social services organizations. A major focus in FY 2016 will be to improve employment outcomes and prepare residents to benefit from economic activity in both the Norris and Sharswood/Blumberg Choice Neighborhoods. The Pre-Apprenticeship Program will continue to train residents for building maintenance employment and provide some customized training for residents from PHA's Choice Neighborhood Implementation Program at Norris Homes. In FY 2016, PHA will build on this foundation, including seeking Jobs Plus funding for self-sufficiency objectives in targeted communities. A summary of PHA's MTW and Non-MTW funded resident services programs is found on Table 10.

- ***Second Chance Initiative*** – PHA has begun to implement a time-limited, ten voucher pilot program to provide supportive services and housing subsidies to formerly incarcerated returning citizens that are active participants in good standing with the Eastern District Federal Court Supervision to Aid Reentry (STAR) Program and Mayor’s Office of Reintegration Services (RISE) Program. PHA projects that the program will reach full utilization by the end of FY 2016.
- ***Nursing Home Transition*** – PHA will continue to work with the City and State to provide affordable housing opportunities for people with disabilities who are able to transition from nursing homes to community-based settings.
- ***Asset Management*** – Utilizing MTW flexibility, PHA has established a Local Asset Management Plan as defined in Appendix A. In FY 2016, PHA will continue efforts to consolidate and streamline property management and maintenance operations based on asset management principles. The goal of this effort is to more closely align PHA’s asset management to multi-family industry norms, with allowances for the unique features of PHA’s organization and portfolio.
- ***Rent Simplification Initiatives*** – PHA will continue to implement previously approved MTW initiatives that simplify program administration and provide incentives for economic self-sufficiency.

In tandem with its MTW implementation activities, PHA will implement other initiatives in FY 2016 that do not specifically require MTW authority or Block Grant flexibility to administer. Highlights of PHA’s planned Non-MTW activities include:

- ***Reducing Homelessness Initiative*** – In addition to the homeless veterans initiatives noted above, PHA will continue to actively collaborate with the City, social service and local non-profit agencies on a series of initiatives to reduce and help prevent homelessness. Under the Blueprint to End Homelessness program, PHA plans to provide 500 housing opportunities annually for formerly homeless families that are leaving transitional housing.
- ***HCV Mobility Pilot Program*** – PHA will continue implementation of the HUD-funded pilot Housing Choice Voucher Mobility Program in partnership with other Housing Authorities in the region, HUD, Quadel, the First Suburbs Project and other local/regional partners. The overall goal is to encourage voucher holders to find housing and jobs in areas that provide higher economic, educational, and social mobility opportunities both within and outside of the City of Philadelphia. Participants are provided with a broad range of supportive services, housing counseling, and other efforts to promote the successful transition to higher opportunity areas.
- ***Improving Access to PHA Programs and Services*** – PHA will expand its efforts to ensure open access to PHA programs to non-English speakers and the hearing/sight impaired. Implementation of the Board-approved Language Access Plan will continue including the provision of translation services, development of new translated forms and other efforts to promote access and diversity.

- ***Lease Enforcement*** – PHA will strengthen its internal efforts to ensure enforcement of all lease provisions, including increasing rent collections and ensuring timely management responses to lease violations.
- ***Better Buildings Challenge*** - In October 2013, PHA became a partner in the U.S. Department of Energy’s Better Buildings Challenge (BBC), signing a commitment to reduce energy consumption across its entire portfolio by at least twenty percent (20%) over the ten (10) years measured from the base year of 2010. The BBC partnership agreement required PHA to initiate a ‘showcase project’ of energy retrofit measures by October 2014, and PHA has developed a plan for the installation of energy conservation measures at Morton Homes during FY 2015 and 2016. And, in implementing its commitment to reduce overall energy consumption, PHA will begin work on an EPC, as described above, and other significant energy conservation measures at suitable sites.
- ***No Smoking Initiative*** –Subject to approval by the Board of Commissioners, in FY 2016 PHA plans to prohibit smoking at all Conventional, Low Income Housing Tax Credit, and Scattered Site residential units for all existing and new developments. Procedures for implementation will be developed with input from resident leadership and the Board. PHA will coordinate the provision of smoking cessation information and/or assistance to all interested residents in conjunction with the Philadelphia Department of Public Health and other partners.
- ***Office of General Counsel Initiatives*** – In FY 2016, OGC will continue to direct and respond to all PHA legal matters, ensuring careful oversight and control of expenditures on outside legal counsel. Among many other initiatives, OGC will support the PHA Board of Commissioners in refining by-laws, improving meeting practices and procedures and other governance matters. OGC will also work closely with PHA operational departments in ongoing efforts to enhance lease enforcement; provide support to PHA’s extensive development initiatives including the evaluation and processing of RAD conversion applications; and assist in improving PHA’s risk mitigation strategies.
- ***Supply Chain Initiatives*** – Supply Chain plans to implement improvement efforts in FY 2016, including activities to expand supplier outreach; increase involvement of MBE/WBE entities as PHA vendors; reduce processing times for invoice approvals and vendor solicitations; and strengthen the vendor evaluation process. A goal of improving scheduling efficiency and reducing PHA’s vehicle fleet size has also been established for FY 2016. A new Investment Recovery Program will be developed to maximize the value of surplus or obsolete assets through online auctions and other revenue generating activities.
- ***Automation Initiatives*** – Other efforts to improve customer service and streamline PHA’s operations will continue in FY 2016. Planned efforts led by PHA’s Information Systems Management division include: Upgrading PHA’s Oracle/PeopleSoft Enterprise System for Financial, Supply Chain, Inventory and Grant Applications, Implementing additional Video and Surveillance system for the remaining PHA's Development subject to budget availability.

Implement Section 3 tracking application and integrate it with our existing Section3 Job Bank.

- ***Grant Opportunities*** - PHA plans to actively pursue other funding opportunities that may include Jobs Plus, Choice Neighborhoods Implementation for Blumberg/Sharswood, Family Self Sufficiency Coordinator, Summer Food Service Program and other available funding opportunities.

PHA will periodically review and revise ongoing initiatives (both MTW and non-MTW activities) as needed in response to current conditions and priorities and to take advantage of new/emerging opportunities.

Background on the MTW Annual Plan

This is the fifteenth Annual Plan submitted by PHA under the MTW Demonstration Program. The FY 2016 Annual Plan incorporates HUD's current requirements effective as of May 2013. The Annual Plan elements have been restructured and modified as needed to comply with HUD's regulations.

As part of each year's MTW planning process, PHA provides opportunities for residents, PHA staff and the broader community to review the proposed goals and objectives and offer feedback, consistent with the requirements of the MTW Agreement.

Prior to finalizing the Annual Plan, PHA conducted a meeting with resident leadership on November 25, 2014 to discuss its contents and provide opportunities for resident input. PHA posted the draft Plan on its website and provided a thirty day public comment period to allow for resident and general public review. PHA also conducted a public hearing on December 1, 2014 and obtained Board of Commissioners approval prior to submission of the Plan to HUD.

II. GENERAL OPERATING INFORMATION

A. Housing Stock Information

Planned New Public Housing Units

As part of the affordable future initiative to develop, acquire and/or preserve affordable housing, PHA plans to add 293 new public housing units to its inventory during the Plan year. As detailed in Table 1 below, this includes planned new units at:

1. *Markoe Street*
2. *Blumberg*
3. *Queen Lane*
4. *Queen Row*
5. *Impact*
6. *New Courtland*
7. *Saint Francis Villa Senior Housing*
8. *Susquehanna Square Housing*

Note that the actual number of public housing units developed during the Plan year may vary from the planned total based on progress in securing Low Income Housing Tax Credit funding, the timing of HUD and local approvals, and other factors. Subject to Board and HUD approval, PHA may consider one or more of the planned projects for the Rental Assistance Demonstration program as an alternative to ACC funding. Also note that Table 1 does not reflect redevelopment activity that is projected to start in FY 2016, but that is not expected to result in new units on-line until after the period.

Table 1: Planned New Public Housing Units During FY 2016

AMP Name and Number	Bedroom Size							Total Units	Population Type	# of UFAS Units	
	0	1	2	3	4	5	6+			Fully Accessible**	Adaptable
Markoe Street	0	0	6	0	0	0	0	6	General	1	0
Blumberg	0	10	25	19	3	0	0	57	General	6	tbd
Queen Lane	0	9	26	20	0	0	0	55	General	6	0
Queen Row	0	16	8	0	0	0	0	24	General	2	
Saint Francis Villa Senior Housing	0	40	0	0	0	0	0	40	Elderly	4	0
Susquehanna Square	0	6	21	10	0	0	0	37	General	11	0
Impact Veterans	0	0	18	0	0	0	0	18	Other	2	0
New Courtland	0	56	0	0	0	0	0	56	Elderly	5	0
Total Public Housing Units to be Added								293			

Other Population Type: Supportive Housing (Veterans)

Planned Public Housing Units to Be Removed from Inventory

As part of its revitalization program and ongoing portfolio assessment and repositioning efforts, PHA plans to demolish and/or dispose of a total of 1,854 units as summarized in Table 2. Planned partial demolition activity at Norman Blumberg Apartments and Norris Apartments is part of an ongoing revitalization program for each of these sites, paving the way for newly redeveloped communities. PHA is also proceeding with demolition/disposition of vacant and obsolete scattered site units. PHA is planning another auction or public sale of scattered site units in the near future. Some scattered site units will be replaced by new developments sponsored by PHA and/or its partners. While Table 2 provides an estimate of the number of units to be removed from the public housing inventory during the Plan Year, the actual number may vary depending on the timetable for HUD approvals, auction activity, land banking approvals with the City of Philadelphia, and other factors. The scattered site units listed in Table 2 include units already approved for disposition by HUD, as well as additional obsolete units for which PHA may request HUD disposition approval in FY 2016.

Table 2: Planned Public Housing Units to Be Removed During FY 2016

PIC Dev. # / AMP and PIC Dev. Name	Number of Units to be Removed	Explanation for Removal
PA002000050 Norman Blumberg	414	Partial demolition and redevelopment of obsolete development
PA002000014 Norris Apartments	147	Demolition and redevelopment of obsolete development – RAD Conversion and Choice Neighborhood Project
PA 901 Scattered Sites	29	Disposition of obsolete scattered sites under Repositioning Initiative
PA 902 Scattered Sites	95	Disposition of obsolete scattered sites under Repositioning Initiative
PA 903 Scattered Sites	32	Disposition of obsolete scattered sites under Repositioning Initiative
PA 904 Scattered Sites	47	Disposition of obsolete scattered sites under Repositioning Initiative
PA 905 Scattered Sites	166	Disposition of obsolete scattered sites under Repositioning Initiative
PA 906 Scattered Sites	121	Disposition of obsolete scattered sites under Repositioning Initiative
PA 907 Scattered Sites	268	Disposition of obsolete scattered sites under Repositioning Initiative
PA 908 Scattered Sites	81	Disposition of obsolete scattered sites under Repositioning Initiative
PA 909 Scattered Sites	256	Disposition of obsolete scattered sites under Repositioning Initiative
PA 910 Scattered Sites	198	Disposition of obsolete scattered sites under Repositioning Initiative

Total Number of Units to be Removed	1,854
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Planned New Project-Based Voucher Leasing

PHA provides project-based subsidies to non-profit sponsors and private property owners through its Unit-Based Leasing and Development (UBV) MTW initiative. Table 3 below provides details on new UBV developments that PHA plans to subsidize during the Plan Year, with a projected total of 350 new units. Overall, PHA projects those 2,411 units will be committed by the end of the Plan Year. Actual contract/leasing figures may vary based on factors, including contract terminations or suspensions, new projects approved by the PHA Board, and other considerations.

Table 3: New Housing Choice Vouchers to be Project-Based During FY 2016

Property Name	Anticipated Number of New Vouchers to be Project-Based	Description of Project
Belmont Village I	25	Target population is very low income seniors and disabled households. Project consists of a newly constructed 25 unit building in West Philadelphia. Supportive services are available to residents.
Belmont Village II	15	Target population is very low income seniors and disabled households. Project consists of a newly constructed 15 unit building in West Philadelphia. Supportive services are available to residents.
Centennial Village	23	Target population is low-income families and disabled households. New Construction site located in West Philadelphia.
4050 Apartments	20	Target Population is eligible low-income families including artists in live-work spaces. New Construction site is located in West Philadelphia. Supportive services will be provided.
Grace Townhomes	36	Target Population is low income families. New construction site is located in the Kensington section of Philadelphia.
H.E.L.P Philadelphia V	15	Target Population is senior homeless veterans. New Construction is located in the Spring Garden section of Philadelphia. Supportive services will be provided.
Liberty Resources	7	Target Population is non-elderly disabled. Rehabilitation sites at two locations in Northeast Philadelphia. Supportive services will be provided.
Project HOME – 810 Arch Street	50	Target population is very low income homeless households. Rehabilitation Project consists of 50 units in low-rise Center City location. Supportive services are available to residents.
HELP USA	15	Target population is veteran families. New Construction Project consists of 15 units in row homes in West Philadelphia.
CATCH Shared Housing	25	Target population is disabled households. Existing project is in South Philadelphia. Supportive services will be provided with a focus on behavioral health and intellectual disability services.
Impact Veterans Housing	8	Target population is veterans families. Rehabilitation project in the Kensington neighborhood consists of 26 units, of which 18 are public housing and 8 are PBV. Supportive services will be provided.
New Courtland at Allegheny Ave, Phase II	20	Voucher award approved by PHA Board in December 2014. New Construction development located in North Philadelphia for seniors. Occupancy date December 2015.
Jannie's Place	11	Voucher award approved by PHA Board in March 2015. Existing development located in West Philadelphia for homeless families.
Hope Bridge	28	Voucher award approved by PHA Board in March 2015. Existing development located in West Philadelphia for single females with special needs.
Intercommunity Action Inc.	13	Voucher award approved by PHA Board in March 2015. Existing development located in the Roxborough section of Philadelphia for individuals and families with mental illness.
Fattah Homes	6	Voucher award approved by PHA Board in March 2015. Existing development located in West Philadelphia for homeless families.
Oakdale Street	12	New construction in North Philadelphia developed by PHADC. Target population is low income families and people with disabilities.
Gordon Street	21	Target population is low income families and people with disabilities. Building is new construction located in North Philadelphia and developed by PHADC.

Anticipated Total
New Vouchers to be
Project-Based

350

Anticipated Total Number of
Project-Based Vouchers
Committed at the End of the
Fiscal Year
Anticipated Total Number of
Project-Based Vouchers Leased
Up or Issued to a Potential Tenant
at the End of the Fiscal Year

2,411

2,277

Other Planned Changes to Housing Stock

PHA's ongoing and future development efforts will continue to be guided by development principles approved by the PHA Board in September 2012. This policy statement provides the framework for future development activities undertaken with public and private partners. It clarifies the selection and review processes and provides guidance on PHA's commitment to Section 3 jobs, sustainable development, defensible space principles, and other important issues. In light of serious fiscal constraints, PHA's policy also emphasizes the importance of achieving maximum leverage with limited public funds.

In FY 2016, PHA will continue to seek additional proposals from prospective partners for affordable housing. Under its Local Unit Based RFP, PHA is seeking to develop alternatively managed public housing sites. Over the coming year, PHA projects that it will enter into partnerships for additional Board-approved proposals.

Subject to funding availability and completion of all HUD and other approvals, PHA intends to commence the redevelopment of Blumberg and Norris Homes during the Plan Year.

Working in collaboration with the City of Philadelphia, PHA will seek to help further the mutual goal of large scale new affordable housing. The initiative envisions the construction of 1,000 affordable rental units and 1,000 ownership units affordable for moderate-income households in the immediate future. PHA has positioned itself to help further this initiative with the following planned projects listed in Table 4 below:

Table 4: Other Planned Changes to Housing Stock

Site	Description of Project	Potential Funding
Pepper/Bartram Annex School Sites	Redevelopment of vacant school site in Southwest Philadelphia. Project is proposed as a 400+/- mixed use, mixed income community. Master planning and acquisition activities are proposed.	Tax Credits, New Market Tax Credits, MTW funds, and Bond funds
Walton School Sites	Redevelopment of a vacant school site in the Strawberry Mansion Section of the proposed. Proposed reuse is a 40 unit senior housing facility.	Tax credits and MTW funds
Reynolds School Site	Acquisition and redevelopment support of vacant school site in the Blumberg/ Sharswood community. This is an anchor project to stabilize the community. This will seek to improve educational outcomes for youth with services and support delivered directly to youth and their families.	Bond Funds , other funding TBD
New West (West Philadelphia Sites)	New West is comprised of four transit	Tax Credits and MTW funds

Site	Description of Project	Potential Funding
	oriented development sites along the Western line of the Market Frankford Line (EL) train in West Philadelphia. It will include mixed-use and income development to target housing deficiencies and provide economic stabilization to the commercial corridor. This will catalyze adjacent current development at 46th Street, 52nd Street and in the Philadelphia Promise Zone.	
2012 Chestnut Street (vacant office facility)	Proposals for the adaptive (highest and best) reuse of PHA's former headquarters will be solicited for redevelopment to include units of mixed-income housing in Center City.	Development Partnerships (TBD), CDBG
Schuylkill Falls (vacant land adjacent to Schuylkill Falls HOPE VI development)	Proposals for the adaptive (highest and best) reuse of PHA surplus and vacant land at Schuylkill Falls site will be solicited.	Development Partnerships (TBD)
Strawberry Mansion Apartments	PHA is in the pre-development stages of a new development known as Strawberry Mansion Apartments which will involve the new construction of 67 infill units of rental housing in the Strawberry Mansion section of North Philadelphia.	Tax Credits, Replacement Housing Funds
Point Breeze	PHA is expecting to begin construction of approximately 20 units of replacement scattered site units in the Point Breeze section of South Philadelphia	Tax Credits and MTW funds

In addition to the above, PHA may solicit development proposals for the redevelopment of Bartram Village and undertake a new solicitation for development proposals for the former Liddonfield development site.

By some accounts, in the City of Philadelphia by FY 2016 there will be 101 acres of land comprised of vacant/closed school buildings. The best instances of adaptive reuse support the redevelopment of a building that no longer serves its original purpose while giving back to the community. Taken together, school closings that affect PHA affordable developments, City of Philadelphia Affordable Housing Units Initiatives, PHA's Affordable Future initiatives, there will be tremendous opportunity and need for capital resources for development. In addition, PHA has or will soon select developer partners for a number of vacant properties owned by PHA throughout the City.

General Description of Planned Capital Expenditures

PHA's capital planning and development strategies are designed to support, rehabilitate, and modernize existing PHA sites and to revitalize neighborhoods throughout the City. Coordination with the City of Philadelphia's neighborhood revitalization efforts is a major priority for PHA. PHA works to leverage its limited PHA resources with other resources such as Low Income Housing Tax Credits, private equity, and state and local funding sources. Utilization of MTW funding and programmatic flexibility remains a critical element in PHA's modernization and development efforts.

PHA maintains updated physical needs assessments including estimated replacement and/or repair costs for all PHA developments. Capital needs continue to dramatically exceed available funding.

Table 5 provides information on PHA's planned capital expenditures for FY 2016. Note that PHA is required to submit this Annual Plan in advance of receipt of federal funding information for the fiscal year. In light of continuing reductions in federal funding and the uncertainty of future funding, the information on Table 5 is preliminary and subject to change based on actual funding. Actual obligations and expenditures may vary based on other factors such as construction schedules, timing of local approvals, and new and emerging repair needs.

In addition to funding for new projected units listed in Table 1, Table 5 includes funding for planned major redevelopment efforts that are expected to start in FY 2016 at Blumberg and Norris Homes, subject to required approvals and funding availability.

With regards to the Blumberg Revitalization and as part of PHA's long-term strategy to consolidate PHA's operations, PHA has approximately \$40 million budgeted to acquire, and construct an administrative office facility. This is planned on the Ridge Ave. corridor and will be part of the mixed use redevelopment undertaking. This facility will ensure greater efficiency of operations for PHA departments, which are currently located in multiple locations throughout the City of Philadelphia. This consolidation would likely involve disposition or conveyance of existing administrative facilities.

Table 5: Planned Capital Expenditures During FY 2016

Development/Project	Project	Project Description	FY 2016 Estimated Expenditures
West Park Apartments	Electrical Capital Work	Elevator Upgrades	\$5,000,000.00
Gordon Street	New Development	21 Units New Construction of PHA- owned PBV Assisted housing	\$6,700,000.00
Queen's Row	New Development	Acquisition and Rehabilitation of 24 unit complex for Public Housing	\$2,207,000.00
Queen Lane Apartments	New Development	Redevelopment - Development of Office Space, Community room and 55 residential units	\$11,000,000.00
Blumberg Sharswood	New Development	New Construction of Phase I - 57 Units LIHTC Project	\$8,000,000.00
Norman Blumberg	Civil Capital Work	Senior Tower Exterior Façade and Roof Repair	\$683,749.00
Markoe Street	New Development	Development of 6 residential public housing units 800 Block of North Markoe Street	\$2,000,000.00

Development/Project	Project	Project Description	FY 2016 Estimated Expenditures
Norris	New Development	Phase I (Off-Site) - New construction of 100 rental units	\$1,500,000.00
Norris	Development	Homeownership - 25 Units	\$9,645,000.00
Norman Blumberg	Electrical Capital Work	Elevator Upgrades in Senior Tower (Modernization)	\$1,000,000.00
Hillcreek	Hillcreek	Roof Replacement	\$300,000.00
Katie B Jackson	Civil Capital Work	Roof Replacement Drainage and Flashing	\$130,000.00
PHA WIDE SS	Scattered Sites Unit Rehab	Comprehensive SS Unit Rehab (320 Units)	\$15,000,000.00
Haddington	Haddington	Roof Replacement	\$604,705.00
Blumberg Sharswood	New Development	New Street Design	\$50,000.00
Norman Blumberg	Blumberg	1st Floor Community Center Renovation at Senior Building including utility isolation	\$1,500,000.00
Suffolk Manor	Suffolk Manor	Water Penetration Investigation and Repair	\$489,000.00
LEB Community Center	New Development	Development of a new community center at 49th and Aspen Sts.	\$1,500,000.00
Blumberg Sharswood	New Development	Demolition Activities - Demolition of Standing family Towers and Low Rise Family Units	\$6,000,000.00
Johnson Homes	Mechanical PNA Capital Work	Pipe Insulation	\$200,000.00
Ridge Avenue	PHA Administrative Office Facility	New Construction	\$40,000,000.00
Total:			\$113,509,454.00

Table 5A below is provided for informational purposes. It is a current list of additional planned capital projects and total budget estimates. This includes projects expected to be implemented in future years, but for which expenditures are not likely to occur in FY 2016.

Table 5A: Additional Planned Capital Projects and Estimated Budget

SITE NAME	PROJECT	DESCRIPTION	ESTIMATED BUDGET
Abbottsford	Energy Efficiency Upgrades	Survey, assess & repair/replace domestic underground cold water dist; provide water metering if feasible	\$8,000,000.00

SITE NAME	PROJECT	DESCRIPTION	ESTIMATED BUDGET
Abbotsford	Abbotsford	REAC site repairs - Utility poles replacement	\$55,000.00
Bartram Village	Energy Efficiency Upgrades	Window Replacement	\$2,118,758.00
Bentley Hall	Electrical PNA Capital Work	Elevator Upgrades(Modernization)	\$1,200,000.00
Blumberg Apartments	Development	Phase II (A) (On-Site) - 60 units H/O	\$12,000,000.00
Blumberg Apartments	Development	Phase II (On-Site) - 80 units	\$1,869,582.00
Blumberg Apartments	Development	Phase III (Off-Site) - New construction of approximately 60 units	\$1,500,000.00
Blumberg Sharswood	New Development	New Streets: Construction of new street grid.	\$5,000,000.00
Blumberg Sharswood	New Development	Relocation of Existing Tenants	\$1,264,000.00
Blumberg Sharswood	Development Acquisition	Acquisition of Properties for Blumberg Choice Neighborhood Project	\$45,000,000.00
Collegeview	Mechanical Capital Work	Sanitary upgrade	\$900,000.00
Collegeview	Mechanical Capital Work	Mechanical Room Upgrades	\$1,100,000.00
Emlen Arms	Mechanical PNA Capital Work	Provide automatic blow down systems for all steam boilers except B-1 & B-3 at West Park	\$24,000.00
Fairhill	Mechanical PNA Capital Work	Provide automatic blow down systems for all steam boilers except B-1 & B-3 at West Park	\$24,000.00
Fairhill	Civil Capital Work	Painting	\$125,000.00
Fairhill Square	SS Concrete Repair	SS Concrete Repair	\$134,933.00
Fairhill Square	SS Carpentry	SS Carpentry	\$20,895.00
Fairhill Square	SS Roofing	SS Roofing	\$84,000.00
Fairhill Square	SS Heating Upgrades	SS Heating Upgrades	\$20,000.00
Fairhill Square	SS Painting	SS Painting	\$30,000.00
Francisville	SS Roofing	SS Roofing	\$36,000.00
Francisville	SS Concrete Repair	SS Concrete Repair	\$51,524.00
Francisville	SS Heating Upgrades	SS Heating Upgrades	\$20,000.00
Francisville	SS Painting	SS Painting	\$30,000.00
Francisville	SS Carpentry	SS Carpentry	\$9,790.00
Germantown	Mechanical PNA Capital Work	Repair controls of all 6 MUA Units; rebalance them to code required ventilation levels	\$120,000.00

SITE NAME	PROJECT	DESCRIPTION	ESTIMATED BUDGET
Germantown	Mechanical PNA Capital Work	Provide automatic blow down systems for all steam boilers except B-1 & B-3 at West Park	\$24,000.00
Germantown/Hunting Park	SS Roofing	SS Roofing	\$92,500.00
Germantown/Hunting Park	SS Heating Upgrades	SS Heating Upgrades	\$20,000.00
Germantown/Hunting Park	SS Carpentry	SS Carpentry	\$25,586.00
Germantown/Hunting Park	SS Painting	SS Painting	\$30,000.00
Germantown/Hunting Park	SS Concrete Repair	SS Concrete Repair	\$121,544.00
GGFE	Mechanical Capital Work	HVAC Controls Upgrade	\$80,000.00
Haddington	SS Roofing	SS Roofing	\$130,000.00
Haddington	SS Concrete Repair	SS Concrete Repair	\$177,184.00
Haddington	SS Painting	SS Painting	\$30,000.00
Haddington	SS Carpentry	SS Carpentry	\$39,809.00
Haddington	SS Heating Upgrades	SS Heating Upgrades	\$20,000.00
Harrison Plaza	Energy Efficiency Upgrades - Mechanical Capital Work	HVAC Upgrade - Low Rises Unit Heater Replacement	\$500,000.00
Harrison Plaza	Civil Capital Work	Exterior Façade Restoration	\$2,800,000.00
Harrison Plaza	Civil Capital Work	Painting	\$125,000.00
Hillcreek	Mechanical PNA Capital Work	Rebuild/correct Heating Hot Water distribution with controls to provide water temperature reset; all buildings	\$2,000,000.00
Hillcreek	Electrical PNA Capital Work	Upgrade Electrical Distribution and Panels, Unit Wiring Upgrade	\$1,000,000.00
Hillcreek	General Upgrades	Mechanical, Electrical, Sprinkler Upgrades & Fencing	\$5,273,856.00
Holmecrest	Mechanical Capital Work	New Underground Heating Distribution	\$1,001,100.00
Johnson Homes	Energy Efficiency Upgrades	Tub Diverter Replacement	\$500,000.00
Johnson Homes	Mechanical PNA Capital Work	Bring Boiler Rooms up to code(enclosures, ventilation, combustion air, safety, floor drains, doors, fire alarm, security); All 9 Boiler Rooms	\$1,200,000.00
Johnson Homes	Civil Capital Work	Fencing	\$250,000.00
Johnson Homes	Development	Comprehensive Modernization (Year 1) of Units, Systems	\$20,000,000.00
Johnson Homes	Development	Comprehensive Modernization (Year 2) of Units, Systems	\$21,200,000.00

SITE NAME	PROJECT	DESCRIPTION	ESTIMATED BUDGET
Kingsessing	SS Concrete Repair	SS Concrete Repair	\$328,539.00
Kingsessing	SS Carpentry	SS Carpentry	\$27,924.00
Kingsessing	SS Roofing	SS Roofing	\$164,500.00
Kingsessing	SS Painting	SS Painting	\$30,000.00
Kingsessing	SS Heating Upgrades	SS Heating Upgrades	\$20,000.00
Ludlow	SS Heating Upgrades	SS Heating Upgrades	\$20,000.00
Ludlow	SS Carpentry	SS Carpentry	\$13,684.00
Ludlow	SS Painting	SS Painting	\$30,000.00
Ludlow	SS Roofing	SS Roofing	\$72,000.00
Ludlow	SS Concrete Repair	SS Concrete Repair	\$67,683.00
Mantua	SS Painting	SS Painting	\$30,000.00
Mantua	SS Concrete Repair	SS Concrete Repair	\$80,383.00
Mantua	SS Roofing	SS Roofing	\$96,000.00
Mantua	SS Heating Upgrades	SS Heating Upgrades	\$20,000.00
Mantua	SS Carpentry	SS Carpentry	\$12,155.00
Mantua Hall	Electrical Capital Work	Electrical Upgrades (PAPMC)	\$100,000.00
Mill Creek	New Development	Neighborhood Revitalization - Scattered Site Comprehensive Rehabilitation (MC Extension)	\$2,000,000.00
Morton Homes	Electrical Capital Work	Remove/Replace all subpanels; remove/replace main electrical distribution panel; remove/replace existing electrical EMT conduit and cable	\$1,500,000.00
Morton Homes	Energy Efficiency Upgrades	Better Building Challenge - Energy Efficiency Upgrade including weatherization & insulation	\$2,546,931.00
Morton Homes	Morton Homes Renovations	Physical Needs Assessment (PNA) priority and REAC site repairs / unit repairs	\$12,840,000.00
Mount Olivet	Civil Capital Work	Exterior Envelope and Moisture Protection	\$500,000.00
Norman Blumberg	Electrical Capital Work	Elevator Upgrades in Senior Tower (Modernization)	\$1,700,000.00
Norman Blumberg	Blumberg	1st Floor Community Center Renovation at Senior Building including utility isolation	\$2,100,000.00
Norman Blumberg	Civil Capital Work	Senior Tower Exterior Façade and Roof Repair	\$683,749.00

SITE NAME	PROJECT	DESCRIPTION	ESTIMATED BUDGET
Norris	Development	Phase II (Marvine Street Tract) - New construction of 47 affordable housing rental units	\$6,600,000.00
Oakdale Street Apartments	Oakdale	Oakdale 12 Units SS New Construction PBV PHA-Owned	\$4,500,000.00
Oxford Jefferson	SS Carpentry	SS Carpentry	\$21,714.00
Oxford Jefferson	SS Heating Upgrades	SS Heating Upgrades	\$20,000.00
Oxford Jefferson	SS Concrete Repair	SS Concrete Repair	\$86,743.00
Oxford Jefferson	SS Roofing	SS Roofing	\$42,000.00
Oxford Jefferson	SS Painting	SS Painting	\$30,000.00
Oxford Village	Oxford Village Renovations	Sanitary Upgrade	\$3,650,000.00
Partnership	Third-Party Capital Requests	Funding for third-party development partnerships for "6 in 5 Initiative"	\$5,000,000.00
PHA	Admin	New PHA HQ Office and Ridge Ave. Commercial Development	\$40,000,000.00
PHA	Bartram Warehouse Expansion	5,000 sf expansion	\$800,000.00
PHA WIDE	Conventional Fire Units	Conventional Fire Units Rehab	\$1,200,000.00
PHA WIDE	Civil Capital Work	Civil - Repair and replacement of exterior fences, roof, asphalt and concrete at various sites.	\$3,496,990.54
PHA WIDE	PHA Wide 504 Modifications	504 Unit Modifications/Fair Housing (Conventional & Scattered (901-910))	\$900,000.00
PHA WIDE	Civil PNA Capital Work	Civil - Repair and replacement of exterior fences, roof, asphalt and concrete at various sites.	\$2,598,213.81
PHA WIDE	Mechanical PNA Capital Work	Mechanical - HVAC Upgrades repair, replace or refurbish air conditioning units. Including chillers, roof top package units, window AC units, exhaust fans, DX split units at various sites	\$1,250,595.12
PHA WIDE	PHA Wide 504 Modifications	504 Unit Modifications/Fair Housing (Conventional & Scattered (901-910))	\$900,000.00
PHA WIDE	Electrical PNA Capital Work	Electrical - Repair replace / upgrade electrical systems and lighting	\$1,525,992.00
PHA WIDE	Capital Improvements	REAC site repairs	\$3,650,000.00
PHA WIDE	Energy Efficiency Upgrades	LED Site lighting upgrades	\$250,000.00

SITE NAME	PROJECT	DESCRIPTION	ESTIMATED BUDGET
PHA WIDE	Mechanical PNA Capital Work	Plumbing - replacement of old and failing equipment integral to the sites with new ejector pumps, duplex sumps and sanitary piping at various sites.	\$75,000.00
PHA WIDE	Electrical Capital Work	Electrical - Repair replace / upgrade electrical systems and lighting	\$269,735.00
PHA WIDE SS	Service Order Expenditures - Painting	SS Painting	\$300,000.00
PHA WIDE SS	SS Fire Units	SS Fire Units Rehab	\$1,200,000.00
PHA WIDE SS	Service Order Expenditures - Heating Upgrade	Heating Upgrade	\$300,000.00
PHA WIDE SS	Service Order Expenditures - Window	SS Window	\$25,000.00
PHA WIDE SS	Service Order Expenditures - Concrete repair	Concrete repair	\$600,000.00
PHA WIDE SS	Service Order Expenditures - SS Roofing	SS Roofing	\$450,000.00
PHA WIDE SS	Service Order Expenditures - Carpentry	SS Carpentry	\$250,000.00
PHA WIDE SS	Service Order Expenditures - Bathroom Upgrade	Bathroom Upgrade	\$450,000.00
PHADC	New Development	PHADC Opportunity Neighborhoods: Scattered Site Development of Affordable Housing	\$1,500,000.00
PHADC	New Development	19 Units Affordable SS	\$4,000,000.00
PHADC	Development	1010-1012 South 20th - 6 Units (PHADC)	\$300,000.00
Point Breeze	South Philadelphia Development	Development of approximately 20 units in Point Breeze area	\$5,000,000.00
Promise Zone	Development	Promise Zone: BKLYN HTS (26), UNION HILL (10), WEST (53) - 89 units total	\$5,000,000.00
Spring Garden	Mechanical Capital Work	Mechanical Upgrade for Underground and Building Distribution	\$2,500,000.00
Strawberry Mansion	New Development	Strawberry Mansion Street Planning - New Construction of 67 Affordable Housing Units	\$15,333,250.00
Strawberry Mansion	SS Roofing	SS Roofing	\$162,000.00
Strawberry Mansion	SS Concrete Repair	SS Concrete Repair	\$85,117.00
Strawberry Mansion	SS Carpentry	SS Carpentry	\$18,920.00
Strawberry Mansion	SS Painting	SS Painting	\$30,000.00

SITE NAME	PROJECT	DESCRIPTION	ESTIMATED BUDGET
Strawberry Mansion	SS Heating Upgrades	SS Heating Upgrades	\$20,000.00
Susquehanna	SS Carpentry	SS Carpentry	\$56,133.00
Susquehanna	SS Roofing	SS Roofing	\$80,500.00
Susquehanna	SS Heating Upgrades	SS Heating Upgrades	\$20,000.00
Susquehanna	SS Concrete Repair	SS Concrete Repair	\$123,742.00
Susquehanna	SS Painting	SS Painting	\$30,000.00
West Park Apartments	Civil Capital Work	Exterior Façade Inspection and Restoration	\$688,000.00
West Park Apartments	Civil Capital Work	New trash compactors	\$320,000.00
West Park Apartments	Civil Capital Work	Roof Covering	\$100,000.00
West Park Apartments	Mechanical Capital Work	Mechanical Upgrades - Pipe Equipment Repair	\$271,181.00
West Park Apartments	Energy Efficiency Upgrades	Survey, assess & repair/replace domestic controls & distribution of Heating Hot Water systems	\$600,000.00
West Park Apartments	Civil Capital Work	Painting	\$250,000.00
West Park Apartments	Mechanical PNA Capital Work	Provide automatic blow down systems for all steam boilers except B-1 & B-3 at West Park	\$24,000.00
Wilson Park	Civil Capital Work	Exterior Façade Restoration	\$3,069,111.00
Wilson Park	Electrical Capital Work	Emergency System Upgrade - For Emergency Generator and Lighting	\$1,000,000.00
Wilson Park	Mechanical PNA Capital Work	Provide automatic blow down systems for all steam boilers except B-1 & B-3 at West Park	\$24,000.00
Wilson Park	Mechanical PNA Capital Work	Test & Repair/Replace all steam traps	\$150,000.00
Total			\$114,597,937.47

B. Leasing Information

PHA's core business involves management and oversight of over 15,000 public housing units and 18,000 Housing Choice Vouchers:

- The Public Housing inventory includes units for families, seniors, and people with disabilities located at conventional and scattered site properties. It also includes properties managed by Alternatively Managed Entities (AMEs) and the Philadelphia Asset and Property Management Corporation (PAPMC). PHA's inventory includes some

units that are not available for occupancy because: (i) they have been approved for demolition or disposition but the demolition or disposition has not yet taken place; (ii) they have been scheduled for significant levels of modernization; (iii) they are utilized for administration or resident services purposes; or (iv) they are eligible for other HUD-authorized exclusions.

- The Housing Choice inventory changes from year to year and includes MTW tenant-based vouchers as well as vouchers authorized by HUD for special purposes such as the Veterans Affairs Supportive Housing Program, Family Unification Program, SRO Moderate Rehab and Mainstream programs. Periodically, HUD issues Enhanced Vouchers and Tenant Protection Vouchers for PHA to administer. As allowed by the MTW Agreement, PHA incorporates Enhanced and Tenant Protection Vouchers into the MTW block grant when eligible.

As required by HUD, Table 6 below provides information only on households living in “MTW units” that PHA plans to serve during FY 2016. This includes all households residing in PHA public housing units as well as HCV MTW households. Table 6A is provided for informational purposes, and includes only households projected to be served under the Non-MTW HUD Special Purpose Voucher program categories. The actual number of households served may vary.

Table 6: Planned Number of Households Served at End of FY 2016

MTW Households to be Served Through:

Federal MTW Public Housing Units to be Leased
 Federal MTW Voucher (HCV) Units to be Utilized*
 Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Property-Based Assistance Programs
 Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Tenant-Based Assistance Programs

Total Households Projected to be Served

Planned Number of Households to be Served	Planned Number of Unit Months Occupied/Leased
13,970	167,640
17,500	210,000
0	0
0	0
31,470	377,640

Table 6A Non-MTW Voucher Programs: Planned Number of Households Served at End of FY 2016

Non-MTW Program

Mainstream
 VASH
 Moderate Rehab
 SRO

Total Households Projected to be Served

Planned Number of Households to be Served	Planned Number of Units Months Occupied/Leased
70	840
583	6,996
247	2,964
332	3,984
1,232	14,784

Reporting Compliance with Statutory MTW Requirements

PHA is in compliance with its MTW statutory requirements.

Description of Anticipated Issues Related to Leasing

Public Housing Program - Actual leasing figures for public housing may be impacted by development and relocation timetables. While PHA believes that its leasing projections are sound, over the course of FY 2016, construction schedules may change as a result of unanticipated site conditions, weather-related issues, and other factors. This in turn may result in scheduling changes or delays in re-occupancy and relocation activity that may ultimately impact leasing levels.

C. Waiting List Information

PHA administers its waiting lists in accordance with the Housing Choice Voucher Program Administrative Plan and Public Housing Admissions and Continued Occupancy Policy (ACOP) as applicable. Conventional Public Housing, scattered sites, PAPMC and AME sites are subject to site-specific waiting list policies. As of March 3, 2014 all waitlist processing activities for Conventional Sites and Scattered Sites Areas were centralized and are now the responsibility of the Public Housing Admissions Department. This change was made to ensure consistent and efficient management of applicants on the various waitlist.

PHA operates its waiting lists in a nondiscriminatory manner that seeks to avoid unintended discriminatory effects. PHA affirmatively markets its sites in a variety of venues and periodicals to ensure that the public is aware of the availability of PHA housing. PHA treats all applicants in a non-discriminatory manner. PHA also monitors its waiting lists to determine if there are significant changes in the percentage of protected classes and, if there were, would determine whether its affirmative marketing methods should be modified.

Table 7 provides information on PHA's waiting lists in the format required by HUD.

Table 7: Wait List Information Projected for Beginning of FY 2016

Housing Program(s)	Wait List Type	Number of Households on Wait List	Wait List Open, Partially Open or Closed	Are There Plans to Open the Wait List During the Fiscal Year
Public Housing 1	Other	27,500	Partially Open	No
Public Housing 2 (Tax Credit)	Site-Based Waiting List	35,000	Open	Waitlist is currently open
Housing Choice Voucher Program Tenant Based	Community-Wide	26,156	Partially Open	No

Information on Partially Open Wait Lists

Public Housing wait lists are currently only open to applicants that require wheelchair accessible units; applicants aged 55 and older; and applicants referred to PHA from external agencies with whom PHA has a referral agreement as described in the Admissions and Continued Occupancy Policy (i.e. Blueprint to End Homelessness and others).

The HCV wait list is closed except for applicants who qualify for admission under HUD's Special Purpose Voucher programs including VASH, as well as applicants referred to PHA from external agencies with whom PHA has a referral agreement as described in the Administrative Plan.

Description of "Other" Wait List Type

As specified in the Admissions and Continued Occupancy Policy, PHA's Public Housing wait list combines site-based, first available, and centrally managed wait list features. Public Housing developments have site-based waiting lists that were centralized and are now the responsibility of the Public Housing Admissions Department to manage. This change was made to ensure consistent and efficient management of applicants on the various waitlist. Applicants may select specific sites or "first available" unit citywide. Centrally managed waitlists are administered by the Admissions Department also including applicants that require a wheelchair accessible unit, and those with a preference designation such as the Blueprint program.

Planned Wait List Organizational or Policy Changes

The following is a summary of wait list policy/organizational changes planned for FY 2016:

- PHA will modify its existing rent policy to allow for the deduction of income received by students who are not heads of household but are participating in the PhillySEEDs sponsored internships.
- PHA will establish site-based wait lists for new developments that come online during the fiscal year in accordance with its Admissions and Continued Occupancy Policy.
- PHA will modify its Public Housing Admissions and Continued Occupancy Policy as needed to reflect proposed policy changes to the "6 in 5" program in order to align with the City's Office of Housing and Community Development and Pennsylvania Housing Finance Agency priorities for accessible and Special Needs units. Referrals for Special Needs units will be required to come from the City of Philadelphia's Deputy Mayor for Health and Opportunities Permanent Supportive Housing Clearinghouse, which shall act as PHA's Local Lead Agency as that term is used by the Pennsylvania Housing Finance Agency (PHFA). The Local Lead Agency is an agency that has (i) experience and responsibility in their jurisdiction for planning and assessing needs for one or more of the above referenced target populations; (ii) responsibility for funding services and organizing the service system to assure tenants get services they need in a timely and comprehensive manner; (iii) the capacity to manage a referral process consistent with fair housing laws; and (iv) be able to enter into an agreement with developers for referrals, pre-tenancy and post-tenancy services and supports. To be eligible for consideration

under PHA's ACC program, developers must meet the same definition of 'supportive housing' as required by PHFA, be targeting an eligible population, have an agreement with PHA's Local Lead Agency, and have easy access to transportation services.

- PHA is also evaluating implementation of new preferences that incorporate employment, educational, and/or job training requirements as a condition of occupancy for designated newly rehabilitated and/or constructed units. Seniors and people with disabilities will be exempt from employment requirements, if applicable. The policy will include provisions to address residents with temporary disabilities and/or temporary loss of employment. PHA may modify its Admissions and Continued Occupancy Policy in FY 2016, subject to Board approval, to reflect these new preferences. To the extent that any such modifications require MTW authority, PHA will establish appropriate MTW activities for HUD approval in future Plans.

III. PROPOSED MTW ACTIVITIES

PHA does not propose to establish any new MTW activities in FY 2016.

IV. APPROVED MTW ACTIVITIES

This section of the Annual Plan summarizes and provides a status update on MTW activities that have been previously approved by HUD. As required, this section also includes summary information on MTW activities that have been closed out or placed on hold by PHA. Initiatives are numbered to reflect the fiscal year in which the MTW was initially approved, i.e. MTW Activity 2011-1 was initially approved in FY 2011.

A. Implemented Activities

MTW Activity 2011-1: Partnership Programs Initiative

Description/Update: PHA uses its MTW authority to expand housing options and service models for special needs and other targeted groups in partnership with universities, state and local government, and other stakeholders. This flexible, services-oriented model builds on the previously approved Unit-Based Leasing and Development Program and allows PHA to leverage PHA and partner resources to provide housing options and, where appropriate and feasible, related health care, educational, and/or other necessary services to low-income families and individuals. Authorized features of the initiative include, but are not limited, to the following:

- Admissions and continued occupancy requirements for the initiative may vary from standard public housing or Section 8 requirements and will be determined for each project in order to promote seamless integration of the partner's subsidy sources with MTW block grant funds.
- Partnership initiatives must serve households earning 80% of AMI or below, and PHA's MTW funds may not be used to subsidize households who are not low-income.
- PHA will leverage its funds with other partner resources in order to avoid duplicative services and payments and to maximize the value of funds spent on the Partnership Initiative.
- Potential models include, but are not limited to, domiciliary care for seniors and people with disabilities, housing options for youth including those aging out of foster care, and supportive transitional housing.
- Budgets and agreements between PHA and its partners will adjust subsidy to allow for recoupment of PHA's capital investment as fee income where financially feasible, particularly in situations in which the partner's subsidy is intended to cover all or some housing costs.
- While each development is expected to have different features, programmatic components may include: preferences for specific target populations including referrals from partner agencies; program contracts for participants that may include requirements for case management, participation in services and other requirements; time limits on housing subsidies; modified occupancy standards; availability of stipends; and other components.

PHA projects that this initiative will result in the development of new housing and service delivery programs that address populations which have not been traditionally well-served by existing programs.

This activity was approved in FY 2011 and implemented in 2012 and subsequently modified in FY 2013 to incorporate specific components applicable to the youth aging out of foster care partnership with the Philadelphia Department of Human Services (DHS). In August 2012, PHA's Board approved a resolution authorizing PHA to enter into an MOU with DHS to create up to 50 housing opportunities to assist youth aging out of the foster care system. Three (3) participating youth have been housed in public housing units, and the plan is to evaluate their progress before proceeding with additional placements. In the FY 2014 Annual Plan, PHA discussed its intention to coordinate the Partnership Initiative activities with its new Affordable Future "6 in 5" Initiative.

Units will be primarily developed or acquired in a three-pronged approach including:

- 1) PHA acting as developer;
- 2) Preservation of affordable units, including those that are nearing the end of the LIHTC compliance period (in partnership with the Pennsylvania Housing Finance Agency) and other units; and
- 3) Open solicitation of development proposals.

An open solicitation is currently underway. Details on the unit types and financing will be finalized through negotiations with developer/sponsors, and may include use of PBV or ACC assistance, or other approaches. In FY 2016, PHA will also continue to explore other options to provide innovative housing and service options for targeted populations. As shown in Table 1, in FY 16, PHA will both self-develop new public housing units and partner with local non-profit organizations on developments that will include public housing and other units. For the Partnership Programs Initiative MTW activity, the following projects are projected to come on-line in FY16. Note, however, that actual schedules and unit counts may change based on a variety of factors including construction schedules, mixed finance approvals, other financing approvals and other factors. PHA will report on actual production in the Annual Report:

- **Impact Veterans Services Family Housing** - Impact Services Corporation will rehabilitate a vacant industrial building in the Kensington neighborhood of Philadelphia to create 26 permanent supportive housing units for families with a preference for veterans. PHA will provide up to \$600,000 in MTW capital construction subsidy, 18 units of ACC operating subsidy and 8 units of project-based assistance under the UBV program. No other MTW waivers are required for the project at present. Total project cost is estimated at \$9.07 million including Tax Credit equity and other sources. Supportive services will be provided.
- **New Courtland Apartments at Allegheny** – New Courtland Elder Services will build a 60 unit new construction development in North Philadelphia targeted for seniors. PHA

will provide ACC operating subsidy for 56 units. No other MTW waivers are required for the project at present. Total project cost is estimated at \$16.125 million including Tax Credit equity and other sources. No PHA capital is involved in the project. Supportive services will be provided.

- **Saint Francis Villa Senior Housing** – Catholic Health Services will build a 40 unit new construction development in the Kensington neighborhood targeted for seniors. PHA will provide \$1.8 million in MTW capital subsidy and ACC operating subsidy for 40 units. No other MTW waivers are required for the project at present. Total project cost is estimated at \$12.36 million including Tax Credit equity and other sources. Supportive services will be provided.

Proposed Changes to Activity: No changes are proposed that require MTW authority.

However, PHA is clarifying its intention to make affordable future development selections in a manner that aligns with the accessibility and special needs housing priorities of the City's Office of Housing and Community Development and the Pennsylvania Housing Finance Agency. To the extent feasible and subject to PHA Board approval, new affordable rental housing development projects that are awarded PHA operating subsidies under the "6 in 5" program must meet the following set-aside requirements: ten percent (10%) Physical disability; four percent (4%) Hearing and Vision disability; and ten percent (10%) Special Needs.

Referrals to PHA and/or project owners for Special Needs units will come from the City of Philadelphia's Deputy Mayor for Health and Opportunities Permanent Supportive Housing Clearinghouse, which shall act as PHA's Local Lead Agency as that term is used by the Pennsylvania Housing Finance Agency (PHFA). The Local Lead Agency is an agency that has (i) experience and responsibility in their jurisdiction for planning and assessing needs for one or more of the above referenced target populations; (ii) responsibility for funding services and organizing the service system to assure tenants get services they need in a timely and comprehensive manner; (iii) the capacity to manage a referral process consistent with fair housing laws; and (iv) be able to enter into an agreement with developers for referrals, pre-tenancy and post-tenancy services and supports. To be eligible for consideration under PHA's ACC program, developers must meet the same definition of 'supportive housing' as required by PHFA, be targeting an eligible population, have an agreement with PHA's Local Lead Agency, and have easy access to transportation services.

Changes to Benchmarks, Baseline, Metrics: Under HUD's revised MTW reporting requirements, PHA is required to revise its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity as approved in the FY 2015 Annual Plan. PHA will report on outcomes in the MTW Annual Report.

HC #1: Additional Units of Housing Made Available

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0	151 in FY 2016		

CE #4: Increase in Resources Leveraged – ALL Planned FY 2016 Projects

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Amount of funds leveraged in dollars (increase).	\$0	\$35.15 million		
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CE #4: Increase in Resources Leveraged – St. Francis Villa

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Amount of funds leveraged in dollars (increase).	\$0	\$10.56 million		
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CE #4: Increase in Resources Leveraged – IMPACT

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Amount of funds leveraged in dollars (increase).	\$0	\$8.47 million		
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CE #4: Increase in Resources Leveraged - New Courtland at Allegheny

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Amount of funds leveraged in dollars (increase).	\$0	\$16.125 million		
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** The HUD Standard Metrics for this activity will depend on the MTW flexibilities required and the type of service provided at each site. As additional agreements with service providers are finalized, further HUD Standard Metrics may be added depending on the terms and necessary flexibilities of the agreements. None of the listed projects for FY16 require MTW waivers at present other than the use of MTW Block Grant funds.*

MTW Activity 2004-1: Neighborhood Development and Revitalization Initiatives

Description/Update: PHA utilizes MTW authority to substantially increase housing choices for residents and applicants. PHA is continuing to implement an ambitious program of new construction, substantial rehabilitation, and modernization designed to revitalize PHA public housing developments, replace distressed housing lost to demolition and lack of capital funds, and improve Philadelphia's neighborhoods. To support its redevelopment activities, PHA continues to implement the following MTW components. These components support the Partnership Initiative and other MTW activities:

- **Design Standards** – PHA continues to implement reasonable and modest design standards for new construction and rehabilitation work that mirror current design trends and the 21st century needs of residents. Modified design standards take into account efficiencies in energy usage, construction methods and technologies, and use of interior and exterior space. PHA standards also incorporate modern amenities and the latest concepts in urban design in order to reduce the negative connotation of public housing for PHA residents and to enhance the livability and marketability of PHA's housing stock. This activity, approved and implemented in FY 2004, is ongoing.
- **Total Development Cost Limits and Housing Cost Caps** – PHA has established and maintains reasonable cost limits for development and redevelopment activities that replace HUD's Total Development Cost (TDC) limits and Housing Cost Caps (HCC). PHA's 2014 MTW TDC/HCC cost limits reflect all the costs associated with developing new PHA conventional and scattered sites and rehabilitating existing units in these categories. PHA cost limits address current construction practice costs while incorporating energy efficient and environmentally sound equipment and materials used in the building process. They support the development of accessibility features in units and throughout the development. In addition, the establishment of new cost limits takes into account the market trends in construction and union labor rates, Davis Bacon rates, and costs associated with government contract work versus private market contract work. The cost limits incorporate the cost of modern design amenities to improve PHA's marketability. PHA's most recently updated MTW TDC and HCC cost limits as of 2014, along with information on the methodology used to establish these cost limits, are attached as Appendix D for informational purposes. Per discussion with HUD, the 2014 MTW TDC/HCC cost limits will be reviewed and approved by HUD either as a technical amendment to the FY 2016 Plan or as part of the FY 2017 Annual Plan approval process. This activity was approved and implemented in FY 2004.

PHA has completed its negotiations with its various construction trades unions to develop a project labor agreement aimed at establishing an affordable housing construction/rehab wage rates as well as work rules to improve efficiency and reduce costs. This agreement is being reviewed by DOL/HUD. PHA is presently and will continue to remain in compliance with applicable Davis-Bacon provisions.

- **Streamlined Mixed-Finance Development Process** – PHA is authorized to develop public housing through several financing methods, including the mixed-finance approach, which involves the use of private financing, Housing Choice Vouchers, and public

housing development funds. According to public housing regulations, PHA and its partners may select among several ownership structures for mixed-finance transactions. These structures may include total private ownership, where PHA does not hold an ownership interest; total ownership by PHA; or a mixture of partial ownership by PHA and its partners. The various arrangements may necessitate different documents, especially for those transactions with third party-developers/owners for which PHA will provide capital or ACC subsidy only. These mixed finance developments may consist of all public housing units or a mixture of public housing and market rate or non-public housing rental and homeownership units. This activity was approved and implemented in FY 2004 and is ongoing.

- **MTW Site and Neighborhood Standards** – PHA is authorized to implement alternate Site and Neighborhood Standards for its public housing and voucher programs, in lieu of those standards at 24 CFR § 941.202(b)-(d) and 24 CFR 983.57. PHA continues to use these standards for determining the location of existing, newly constructed, or substantially rehabilitated housing that receives MTW subsidy. This activity was approved and implemented in FY 2004 and is ongoing.
- **Streamlined Acquisition Process** – Subject to the provisions of the MTW Agreement, PHA is authorized to acquire sites without prior HUD approval, provided that the agency certifies that HUD site selection requirements have been met. Accordingly, PHA has established a public housing acquisition process as part of its streamlined mixed-finance process agreed to by HUD. This activity was approved and implemented in FY 2002. PHA recognizes that the foregoing authorization does not exempt the housing authority from environmental approvals or other approvals required outside of the U.S. Housing Act of 1937, as amended. PHA also acknowledges that it needs to identify any planned acquisitions in the MTW Annual Plan and to report on actual acquisitions in the MTW Annual Report.
- **Strategy for Development:** PHA has adopted a Development-Asset Management Strategy for Public Housing that takes a comprehensive neighborhood-by-neighborhood and block-by-block approach to redeveloping, consolidating, rehabilitating, demolishing, and acquiring and disposing of scattered site units independently and in partnership with government and other local neighborhood-based organizations. This activity was approved and implemented in FY 2005 and it is ongoing. As appropriate, PHA's new Development Principles will be used to guide all future development efforts.

Proposed Changes to Activity: No changes are proposed.

Changes to Benchmarks, Baseline, and Metrics: Under HUD's revised MTW reporting requirements, PHA is required to revise its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity as approved in the FY 2015 Annual Plan. PHA will report on outcomes in the MTW Annual Report.

CE #1: Agency Cost Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Total cost of task in dollars
(decrease).

TBD

TBD

**HUD is requiring the use of this metric; however, PHA does not believe it is applicable in this context of this MTW activity. PHA will identify the current baseline as part of the FY 16 Annual Report and then establish a benchmark of maintaining this level going forward, i.e. PHA would not anticipate an increase in Agency Cost Savings.*

CE #2: Staff Time Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Total time to complete the task in
staff hours (decrease).

TBD

TBD

**HUD is requiring the use of this metric; however, PHA does not believe it is applicable in this context of this MTW activity. PHA will identify the current baseline as part of the FY 16 Annual Report and then establish a benchmark of maintaining this level going forward, i.e. PHA would not anticipate a change in staff time savings.*

CE #3: Decrease in Error Rate of Task Execution

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Average error rate in completing a
task as a percentage (decrease).

0

0

**HUD is requiring the use of this metric; however, PHA does not believe it is applicable in this context of this MTW activity. PHA will identify the current baseline as part of the FY 16 Annual Report and then establish a benchmark of maintaining this level going forward, i.e. PHA would not anticipate a change in error rate.*

CE #4: Increase in Resources Leveraged- ALL Planned FY 2016 Projects

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Amount of funds leveraged in
dollars (increase).

\$0

\$ 20.4 million

CE #4: Increase in Resources Leveraged- Blumberg Phase I

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Amount of funds leveraged in dollars (increase).	\$0	\$ 12.7 million*		
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**Projected LIHTC 9% equity leverage for Phase I Blumberg development.*

CE #4: Increase in Resources Leveraged- Queen Lane

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Amount of funds leveraged in dollars (increase).	\$0	\$ 7.7 million*		
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**Projected LIHTC 4% equity leverage of 7.7 million for Queen Lane development .*

CE #4: Increase in Resources Leveraged- Queen Row

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Amount of funds leveraged in dollars (increase).	\$0	\$ 0		
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CE #4: Increase in Resources Leveraged- Markoe

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Amount of funds leveraged in dollars (increase).	\$0	\$ 0		
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HC #1: Additional Units of Housing Made Available

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0	142 in FY 2016		
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HC #2: Units of Housing Preserved

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase).	0	0		

HC #3: Decrease in Wait List Time

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average applicant time on wait list in months (decrease).	TBD - Average applicant time on wait list prior to implementation of the activity (in months).	TBD - Expected average applicant time on wait list after implementation of the activity (in months).		

HC #5: Increase in Resident Mobility

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0	142 units in FY 2016		

MTW 2004-2: Service-Enriched Housing for Seniors and People with Disabilities

Description/Update: PHA is collaborating with the Commonwealth of Pennsylvania and other local providers to develop and implement a range of service-enriched housing options for seniors and people with disabilities, including the following ongoing and planned program components:

- **Adult Day Care** – Adult Day Care provides non-medical supportive day services to eligible elderly persons. Adult Day Care includes assistance with activities of daily living, medication reminders, social activities, meals and snacks, and educational programs. An affiliate – Elderly and Disabled Services, LLC - administers the Adult Day Care program services. The first Adult Day Services facility is located at the Nellie Reynolds Gardens senior housing development. Both PHA residents and neighborhood residents are eligible to participate in the program. This activity was first approved and implemented in FY 2011. The facility opened in 2010. PHA plans to issue a Request for Proposals in FY 2016 in search of an operator for its Adult Day Care and Disabled Resident Homes known as the Quad Facilities.
- **Nursing Home Transition** – The Nursing Home Transition Initiative (NHTI) is a partnership with the Department of Public Welfare (DPW) that assists persons transitioning out of nursing homes with accessing affordable housing. As part of NHTI, PHA administers seventy-five (75) State-supported vouchers for referrals of disabled consumers in need of low-income housing. NHTI households may be eligible for a preference for public housing or HCV. In addition, PHA has entered into a Memorandum of Understanding (MOU) with Liberty Resources, Inc. to refer to PHA disabled households who may be eligible for a preference for public housing or HCV. PHA utilizes its MTW flexibility to increase HCV payment standards up to 120% of the HUD Fair Market Rents in order to secure housing, subject to rent reasonableness. This activity was first approved and implemented in FY 2010 and is ongoing.
- **Definition of Elderly** – An elderly person is defined as an individual who is at least 55 years old. An elderly family is defined as one with a head of household, co-head, spouse or sole member who is at least 55 years old. For the purposes of admission to public housing designated as elderly-only, the definition of *elderly* and *elderly family* for each designated project will be specified in PHA's Designated Housing Plan in effect and may differ from the foregoing definition. This activity was first approved and implemented in FY 2004 and is ongoing.

Proposed Changes to Activity: PHA completed retrofitting of accessible units required under Attachment E of the MTW Agreement; thus, this activity has been reclassified as “completed” and moved to the relevant section of the Annual Plan. No other changes are proposed.

Changes to Benchmarks, Baseline, Metrics: Under HUD’s revised MTW reporting requirements, PHA is required to revise its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity as approved in the FY 2015 Annual Plan. PHA will report on outcomes in the MTW Annual Report.

HC #5: Increase in Resident Mobility

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0 – Nursing Home Transition (NHT)	75 ongoing (NHT)		

HC #7: Households Assisted by Services that Increase Housing Choice (Adult Day Care and Nursing Home Transition)

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice (increase).	0 – Nursing Home Transition (NHT)	75 ongoing (NHT)		

MTW Activity 2004-3: Simplification and Streamlining of Rent and Recertification Processes for Public Housing and HCV

Description/Update: PHA is implementing a series of initiatives in the public housing and/or HCV programs designed to simplify rent calculation and the recertification, streamline administrative processes, and reduce paperwork burdens on residents and staff. The following is a summary of ongoing and planned program components:

- **Two and Three-Year Recertification** – PHA has restructured the annual and interim review processes and procedures for public housing and HCV to require recertifications every two years, except for public housing residents choosing ceiling rents who are recertified every three years. Generally, residents are not required to report changes in income between regularly scheduled recertifications. Interim recertification is required for changes in household composition. Additionally, PHA will complete EIV checks every six months for households with zero, temporary or sporadic income. Interim recertifications are restricted to one every six months; however, see proposed change below for HCV interim recertifications. Elderly and disabled households are exempted from this restriction on interim recertifications. As noted in the FY 2015 Annual Plan, the PHA Board of Commissioners approved a change to the Two and Three Year Recertification activity for the HCV program. Under this policy, HCV participants may request up to two (2) voluntary interim recertifications between regular recertifications. PHA may elect to adopt a similar policy in its public housing program subject to Board approval. This activity was approved and implemented in FY 2004 and is ongoing.
- **Ceiling Rents** – PHA has established ceiling rents for its public housing developments, which are periodically updated. This activity was approved and implemented in FY 2004 and is ongoing. Ceiling rents for sites managed by PAPMC are set at the Pennsylvania Housing Finance Agency ceiling rent limits in effect for LIHTC properties. PHA implemented PHFA 40% ceiling rents at conventional and scattered sites effective as of July 1, 2013. Ceiling rents will be updated annually to reflect the then-current 40% PHFA ceiling rents. At PHA developments where tenants pay for some or all utilities, the applicable utility allowance may be applied to the ceiling rent, i.e. the ceiling rent amount may be offset by the applicable tenant-paid utility allowance amount. PHA tenants will continue to have the option of selecting either a ceiling rent or an income-based rent. PHA will apply the ceiling rent amount when it is less than the income-based rent calculation. Tenants who select an income-based rent will pay no more than 28% of adjusted income for rent. PHA may elect to phase-in rent increases to avoid serious financial hardship to residents if necessary.
- **Rent Calculation Method** – PHA has established an alternative rent structure for the HCV and public housing programs to motivate residents to work and accumulate savings. Note that residents living in LIHTC units are not subject to this system. Public housing residents may elect a ceiling rent in lieu of the income-based calculation method. PHA's rent simplification system includes the following components: establishing a single working household deduction; modifying the definition of income to exclude the first \$500 of asset income as well as certain medical-related insurance premiums; and

eliminating other deductions and reducing the standard rent calculation percentage based on family size. Minimum rents have been implemented in both the leased housing and public housing programs. This activity was approved and implemented in FY 2004 and is ongoing.

- **Payment Standards** – PHA has implemented a policy in the HCV program whereby the current payment standard is applied at regular recertification. This activity was implemented in FY 2008 and is ongoing.
- **Reasonable Rent** – PHA has developed and implemented a reasonable rent policy for the HCV program whereby reasonable rent determinations are completed at initial lease up, upon request for a rent increase, and at other times PHA deems it necessary to conduct a reasonable rent re-determination. This activity was approved and implemented in FY 2008 and is ongoing.

PHA may implement across-the-board rent increases or rent freezes for properties in the HCV program. When and if an across-the-board rent increase is awarded, PHA will complete a reasonable rent determination at the time of the next annual HQS inspection and apply applicable policies related to reasonable rent when and if the rent is not reasonable. This policy was approved and implemented in FY 2005.

- **Utility Allowances** – PHA is authorized to implement a revised utility allowance methodology that includes the following components: a) HCV participants who are responsible for paying gas heat and who are eligible to participate in the PGW Customer Responsibility Program (CRP) will have the gas portion of their utility allowances calculated using an alternative methodology. Participation in the PGW CRP program places a cap on the amount of money that eligible residents will be required to pay for their gas utility payments based on household income, not consumption. Utility allowance schedules are typically determined based on an analysis of the cost of reasonable consumption based on dwelling unit size/type. PHA will utilize the PGW CRP capped amount to calculate the gas allowance due to residents, except in those limited circumstances where the CRP amount exceeds PHA's gas utility allowance schedule. The alternative utility allowance amounts will be factored into the rent calculation, including the Total Tenant Payment calculation. With this change, residents will continue to have their Total Tenant Payment limited to no more than 28% of household income. PHA has received approval to implement this initiative in the public housing program; however, only HCV implementation has taken place to date; b) Utility allowances will be phased out for residents with incomes at or above 80% of Area Median Income; c) PHA will review and modify public housing utility schedules periodically based on an assessment of available HUD funding and the requirements of the MTW Agreement and Plan. PHA may apply the HUD-determined operating subsidy pro-ratio factor to determine the actual utility schedule amounts. Revised utility allowances will be applied to a family's rent calculations at the next scheduled recertification after the allowance is adopted or at one time across all affected households. The approach taken will be at the discretion of PHA; and d) PHA will establish a minimum threshold of \$20 for payment of utility allowance payments. PHA

will report on utility schedule updates in the MTW Annual Report. This activity was approved and implemented in FY 2009.

- PHA is also authorized to expand the utility allowance policy to require public housing and HCV tenants receiving either heat or electric utility allowances to enroll and participate in the PECO Customer Assistance Plan, LIHEAP and any other applicable programs that offer reduced rates, energy usage grants, or other financial incentives to low-income households. This activity was approved in FY 2011.
- Finally, using its MTW authority, PHA will periodically, at its discretion, review HCV utility allowance schedules to determine if adjustments are required. Annual updates will not be required. This activity was first approved in FY 2014.

PHA reviews and reevaluates the impact of its rent reform initiatives on an annual basis. Current MTW rent policies do not have an adverse impact on affordability as rent for residents of both public housing and HCV (MTW vouchers) is less than or equal to 28% of adjusted household income. Public housing residents also have the option to select a ceiling rent.

Proposed Changes to Activity: No changes are proposed.

Changes to Benchmarks, Baseline, Metrics: Under HUD's revised MTW reporting requirements, PHA is required to revise its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity as approved in the FY 2015 Annual Plan. PHA will report on outcomes in the MTW Annual Report.

CE #1: Agency Cost Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	\$877,965 (based on 56,100 total estimated hours for above activities multiplied by an average \$15.65 hourly rate)	\$658,473 estimated total cost after implementation of above activities		

CE #2: Staff Time Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Total time to complete the task in staff hours (decrease).	56,100 hrs. estimated for above activities	42,075 hrs. (25% reduction estimated)		
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CE #3: Decrease in Error Rate of Task Execution

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Average error rate in completing a task as a percentage (decrease).	TBD	TBD		
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**PHA implemented its revised rent calculation method in 2004, and does not have historical data on rent calculation error rates at that time. PHA will identify the current baseline as part of the FY 16 Annual Report (which already reflects error rate reductions) and then establish a benchmark of maintaining this level going forward, i.e. PHA would not anticipate future reductions to error rates.*

CE #5: Increase in Agency Rental Revenue

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Rental revenue in dollars (increase).	\$0	TBD		
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SS #1: Increase in Household Income – HCV*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Average earned income of households affected by this policy in dollars (increase).	The average earned income of households affected by this policy in FY 14 is \$17,032.	The expected average earned income of households affected by this policy after implementation of the activity is \$17,032.		
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** Although this activity was implemented in FY 04, HUD has only recently required PHA to track the average earned income of households affected by this policy, therefore PHA has used data from FY 14 to determine the baseline. As this activity has been implemented and on-going for over 10 years, PHA expects the average earned income of households to remain stable. For additional information see HUD's Frequently Asked Questions About HUD Form 50900 dated September 13, 2013.*

SS #1: Increase in Household Income - Public Housing*

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	The average earned income of households affected by this policy in FY 14 is \$15,187.	The expected average earned income of households affected by this policy after implementation of the activity is \$15,187.*		

** Although this activity was implemented in FY 04, HUD has only recently required PHA to track the average earned income of households affected by this policy, therefore PHA has used data from FY 14 to determine the baseline. As this activity has been implemented and on-going for over 10 years, PHA expects the average earned income of households to remain stable. For additional information see HUD's Frequently Asked Questions About HUD Form 50900 dated September 13, 2013.*

SS #3: Increase in Positive Outcomes in Employment Status

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Employed	4,725 (36%) of work-able heads of households had earned income as of March 31, 2014.	Increase the total of work-able heads of households earning an income as of the end of FY 16 to 4,820 (37%)		

** The benchmark is contingent on the economy and opportunities available in the City of Philadelphia.*

SS #3: Increase in Positive Outcomes in Employment Status

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Unemployed	8,282 (64%) work-able heads of households had no earned income as of March 31, 2014.	Decrease the total number of work-able heads of households not earning income as of the end of FY 2016 to 8,116 (62%).		

** Although this activity was implemented in FY 04, HUD has only recently required PHA to track the employment status of work-able heads of households affected by this policy, therefore PHA has used data from FY 14 to determine the baseline. As this activity has been implemented and on-going for over 10 years, PHA expects the employment status of work-able heads of household to remain stable. For additional information see HUD's Frequently Asked Questions About HUD Form 50900 dated September 13, 2013.*

SS #8: Households Transitioned to Self Sufficiency

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Number of households transitioned to self-sufficiency (increase).

0 households

72 households are expected to transition to self-sufficiency in FY 16.

**For HCV, PHA defines a household that transitions to self-sufficiency as an HCV participant who exits the program as a result of being over-income or one that receives no HAP subsidy but still qualifies as program participants. For public housing, PHA defines a household that transitions to self-sufficiency as a public housing household whose income increased from a lower level to 80% or greater of Area Median Income.*

NOTE: PHA maintains that the above metrics do not accurately reflect the success of this activity as they do not account for unit/population turnover (i.e. households moving out and in over multiple years). The baselines set above reflect a snapshot in time and do not account for families leaving and being replaced by lower-income families resulting in the make-up of the benchmark populations being increasingly different over time.

MTW Activity 2004-4: Unit-Based Leasing and Development Program

Description/Update: Expanding the supply of affordable housing in Philadelphia continues to be a major objective of the PHA MTW Demonstration program. Under PHA's Unit-Based Leasing and Development Program ("UBV" or the "Unit-Based Program"), PHA negotiates contracts with for-profit and non-profit private sector housing providers for unit-basing PHA's local rent Subsidy using MTW block grant funds (Operating, Capital, HCV) based on property specific agreements. To date, PHA has selected Unit-Based Program for MTW HCV Funds participants through a competitive procurement process. This MTW initiative was approved and implemented in FY 2004.

PHA's Site Selection Standards for the UBV program will comply with the alternate Site and Neighborhood Standards described at Attachment C, Section D (7)(c) to PHA's MTW Agreement.

The rent to the owners participating in the UBV program funded with MTW HCV funds will not exceed the lowest of 110% of the applicable fair market rent, the reasonable rent, the rent requested by the owner or such other amount determined by PHA to be appropriate for the unit based upon the nature of the unit and the RFP from which the owner was selected. For example, in certain cases, PHA believes a shallower subsidy is more appropriate.

Unless part of its "shallow" subsidy UBV program, PHA will not attach or pay UBV assistance to units that are already receiving another form of subsidized housing operating assistance. With respect to a shallow subsidy UBV program, PHA will not attach or pay UBV assistance to units receiving another form of subsidized operating assistance if the UBV assistance would be duplicative or would otherwise over-subsidize the unit. PHA may determine the effect of subsidy on rent to owners and the duplication of subsidy or excessive subsidy, subject to the requirements regarding subsidy layering as set forth in the HUD Reform Act of 1989. PHA may unit-base up to 100 percent of the dwelling units in any UBV project or building.

PHA may select its own units for project-basing with UBV assistance without a competitive process. Pursuant to Attachment C, Section D (7)(a), PHA may unit-base assistance at properties other than public housing properties owned directly or indirectly by PHA, including those owned by PHA affiliates or instrumentalities. For purposes of this selection method, a property that may be unit-based may be a former public housing property that has been converted to HCV assistance. Pursuant to Attachment C, Section D (1)(f), under either the UBV program or the Partnership Initiatives, PHA may attach or pay UBV assistance using HCV MTW funds to unit types currently prohibited by standard Section 8 regulations including, but not limited, to shared living facilities. Such units must comply with applicable alternate MTW Site and Neighborhood Standards.

An owner of a unit assisted under the UBV program for MTW HCV funds may elect to receive referrals from PHA's waiting list or to use a site-based waiting list for selection of tenants for a site. For owners using a site-based waiting list, owners must refer families to PHA for eligibility screening.

The following table provides information on projects that are subsidized under this initiative as of the date of submission of the Plan. Additional projects that are projected to be under contract in FY 2016 are included in Table 3. PHA is in the process of determining whether renewals will be issued for a number of developments on the table below:

Development Name	Sponsor	Building Type	Neighborhood Location	Voucher Units Under Contract	Target Population	Supportive Services
1260 Housing	Columbus Property Management	Low rise apartments and row homes	Scattered sites	164	mental health/chemical dependency	yes
1260 Housing	Columbus Property Management	Midrise apartments	Northeast Philadelphia	11	mental health/chemical dependency	yes
Art Apartments	Pine lake Management Associates LP	Low rise apartments	West Philadelphia	30	families/very low income	no
Belmont Gardens	Sarah Allen Community Homes V L P	Low rise apartments	West Philadelphia	3	families/very low income	no
Bernice Elza	Peoples Emergency Center	Low rise apartments	West Philadelphia	6	emancipated teens/homeless	yes
Bethesda Project Bainbridge	Bethesda Project Inc	Low rise apartments	South Philadelphia	20	homeless	yes
Bethesda Project South	Bethesda Project Inc	Low rise apartments	Center City Philadelphia	4	homeless	yes
Bethesda Project Spruce	Bethesda Project Inc	Low rise apartments	Center City Philadelphia	13	homeless	yes
Boriquen	Boriquen Associates II Limited	Scattered Row homes	North Philadelphia	22	families/very low income	no
Brentwood Parkside	Brentwood Parkside Associates	High rise apartments	West Philadelphia	22	seniors/families/very low income	no
Patriot House	Citizens Acting Together Can Help, Inc	Low rise apartments	South Philadelphia	15	homeless	yes
Chatham Court Apartments	Chatham Apts. Assoc. LP	Low rise apartments	West Philadelphia	18	families/very low income	no
Cloisters	Cloisters III Housing Partnership	Low rise apartments/ duplexes and row homes	West Philadelphia	18	homeless	yes
Diamond St Venture I	Diamond St Ventures	Scattered duplexes	North Philadelphia	14	families/very low income	no
Diamond St Venture II	Diamond St Ventures	Scattered duplexes	North Philadelphia	6	families/very low income	no
Diamond St Venture III	Diamond St Ventures	Scattered duplexes	North Philadelphia	17	families/very low income	no
Dignity	Community For Dignity & Fairness	Scattered row homes	Germantown/ Mt. Airy	10	women with children (domestic abuse)	yes
Dignity	Community For Dignity & Fairness	Scattered row homes	Logan (Northwest Philadelphia)	3	women with children (domestic abuse)	yes

Development Name	Sponsor	Building Type	Neighborhood Location	Voucher Units Under Contract	Target Population	Supportive Services
Dignity	Community For Dignity & Fairness	Scattered row homes	Mt. Airy	4	women with children (domestic abuse)	yes
Dignity	Community For Dignity & Fairness	Scattered row homes	Germantown/ Mt. Airy	11	women with children (domestic abuse)	yes
Dignity	Community For Dignity & Fairness	Scattered row homes	Germantown	16	women with children (domestic abuse)	yes
Dignity Boss	Community For Dignity & Fairness	Scattered row homes	Germantown/ Mt. Airy	8	women with children (domestic abuse)	yes
Dignity Nedro	Community For Dignity & Fairness	Low rise apartments	Logan (Northwest Philadelphia)	5	women with children (domestic abuse)	yes
Dunlap School Venture	Dunlap Management Partners LP	Low rise apartments	West Philadelphia	35	seniors	no
Edgewood Manor	Edgewood Manor Associates II Lap	Low rise apartments	North Philadelphia	33	families/very low income	no
Elders Place I	Penn Housing LLC	High rise apartments	Germantown	43	seniors	no
Elders Place II	Penn Housing LLC	Low rise apartments	Germantown	38	seniors	no
Fattah Homes I	PEOPLES EMERGENCY CENTER	Scattered Row homes	West Philadelphia	6	homeless	yes
Fourth St Access	Columbus Property Management	Row homes and triplexes	North Philadelphia	24	families/very low income	no
Freedom Village	Freedom Village LP	Low rise apartments	North Philadelphia	16	families/very low income	no
Gaudenzia Shelton Court	Gaudenzia Foundation Inc.	Triplex and low rise apartments	North Philadelphia	19	young women (chemical dependency)	yes
HELP Philadelphia II	HELP USA	Low rise apartments	West Philadelphia	50	transitional housing for women	yes
HELP USA (HELP PA Affordable Housing)	HELP USA	Row homes	West Philadelphia	14	Veterans	yes
Imani Homes	Imani Homes Limited Partnership	Row homes	West Philadelphia	24	families/very low income	no
Imani II	Peoples Emergency Center	Row homes	West Philadelphia	6	families/very low income	no
Imani III	Peoples Emergency Center	Row homes	West Philadelphia	6	families/very low income	no
Imani IV	Peoples Emergency Center	Row homes	West Philadelphia	8	families/very low income	no
Imani V	Peoples Emergency Center	Row homes	West Philadelphia	11	homeless	yes

Development Name	Sponsor	Building Type	Neighborhood Location	Voucher Units Under Contract	Target Population	Supportive Services
Inglis Apartments at Elmwood	Inglis House	Low Rise apartments and row homes	West Philadelphia	40	seniors and disabled	yes
Inglis Housing (Morris-Klein Apts)	Inglis House	High rise apartments	West Philadelphia	19	seniors and disabled	yes
Jannie's Place	Peoples Emergency Center	low rise apartments	West Philadelphia	6	homeless	yes
JBH Homes	Project Home	Low rise apartments	Fairmount	15	alcohol dependency	yes
Kate's Place	Project Home	High rise apartments	Center City Philadelphia	30	homeless/chemical dependency	yes
Hamill Mills	Lena St Associates	Low rise apartments	Germantown	40	seniors	no
Ascension Manor	Liberty Resources	Low rise apartments	North Philadelphia	3	disabled	yes
Praveen Chestnut	Liberty Resources	Low rise apartments	West Philadelphia	3	disabled	yes
LIH Walnut	ARCH VII - LIH Walnut Associates	Low rise apartments	West Philadelphia	14	families/very low income	no
Locust Towers	Magdim Towers INC	High rise	West Philadelphia	40	families/very low income	no
Monument Rd	Methodist Family Services of Philadelphia	Low rise apartments	West Philadelphia	11	emancipated teens/homeless	yes
Monument Mews	Monument Mews	Low Rise apartments and row homes	West Philadelphia	60	families/very low income	no
Mt. Vernon	Mt. Vernon LP	Low rise apartments	West Philadelphia	15	families/very low income	no
New Courtland Apts at Cliveden	New Courtland	High rise apartments	Germantown	32	seniors	no
NPCH - Community Building	NPCH Associates	Duplex apartments	North Philadelphia	16	families/very low income	no
Parkside 2000 Associates	Columbus Property Management	Scattered triplexes	West Philadelphia	8	families/very low income	no
Parkside 2000 Associates	Columbus Property Management	Scattered triplexes	West Philadelphia	42	families/very low income	no
Paseo Verdes	Transit Village Affordable Housing LP	Row homes	North Philadelphia	19	families/very low income	no
RBM	Peoples Emergency Center	Low rise apartments	West Philadelphia	9	homeless	yes
Powelton Heights	Columbus Property Management	Low rise apartments	West Philadelphia	30	seniors	no
Kate's Place	Project Home	High rise apartments	Center City Philadelphia	5	homeless/chemical dependency	yes
Ray's Place	Project Home	Low rise apartments	North Philadelphia	17	mental health/veterans	yes
Regent Terrace	Regent Terrace Housing Partnership	Low rise apartments	West Philadelphia	80	families/very low income	no
Sarah Allen	Sarah Allen Community Home IV LP	Low rise apartments	West Philadelphia	3	seniors	no

Development Name	Sponsor	Building Type	Neighborhood Location	Voucher Units Under Contract	Target Population	Supportive Services
Sartain School Apartments	Sartain Management Partners LP	Low rise apartments	North Philadelphia	35	seniors	no
Sedgley Apartments	MPB School Apartments LP	Low rise apartments	North Philadelphia	16	families/very low income	no
Sheila D Brown Women's Center	Sheila D Brown Women's Center	Low rise apartments	South Philadelphia	9	women/behavioral disabilities	yes
South 55th St	South 55th Street L.P.	Duplex apartments	West Philadelphia	18	families/very low income	no
Lehigh Park	St Christopher's Associates L P VIII	High rise apartments	North Philadelphia	25	families/self sufficiency	yes
Susquehanna Apartments	Susquehanna Apts LP	Low rise apartments	North Philadelphia	47	families/very low income	no
Temple N 16th St	Columbus Property Management	Low rise apartments	North Philadelphia	49	families/very low income	no
Temple N Gratz St	Columbus Property Management	Low rise apartments	North Philadelphia	40	families/very low income	no
Walnut Park	Walnut Park Associates LLC	High rise apartments	West Philadelphia	224	seniors	no
Walnut Thompson	Walnut-Thompson LP	High rise and duplex apartments	Center City and West Philadelphia	35	families/very low income	no
WCRP	Women's Community Revitalization Project	Row homes	North Philadelphia	16	families/very low income	yes
WCRP	Women's Community Revitalization Project	Row homes	North Philadelphia	38	families/very low income	yes
WCRP	Women's Community Revitalization Project	Row homes	North Philadelphia	32	families/very low income	yes
WCRP	Women's Community Revitalization Project	Row homes	North Philadelphia	12	families/very low income	yes
TOTAL				1,926		

A family residing in a UBV unit funded with MTW HCV funds may terminate the lease at any time after the initial term. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to PHA. Once a family terminates the lease, the family will no longer be part of the HCV or UBV program. Pursuant to PHA's MTW authority, PHA does not provide UBV participant families who want to move with tenant-based assistance with a tenant-based HCV voucher.

For mixed-finance closings for UBV units involving new public housing units, PHA may request HUD review and approval of certain waivers to current public housing regulations in the interest of increasing housing choice, promoting long-term project viability, and encouraging more third party development. Specific waivers that may be requested include:

- PHA may elect to allow the owner of UBV units, including PHA if it is the owner, to utilize public housing operating subsidy and other MTW funds, to pay for debt service associated with the UBV development; and
- Where PHA provides public housing operating subsidy as part of UBV assistance, separately or in combination with voucher or other MTW funds, PHA may have the Declaration of Restrictive Covenants modified to eliminate or change the standard ten-year affordability “tail,”

While the above waivers do not require MTW authority, they are directly relevant to the Unit Based Leasing and Development and Partnership Initiative activities. PHA is providing this information in the MTW Annual Plan to clarify its intention to seek future HUD waivers. The specific details of each UBV agreement will be defined prior to closing and shall be subject to HUD review and approval, where applicable, as part of the mixed-finance transaction closing process.

In FY 2016, PHA will continue to operate this program including, as appropriate, incorporating it into the “6 in 5” Initiative to create 6,000 units of affordable housing over a five-year period as referenced above. PHA may also issue requests for proposals for this initiative during the Plan Year.

Proposed Changes to Activity: No changes are proposed.

Changes to Benchmarks, Baseline, Metrics: Under HUD’s revised MTW reporting requirements, PHA is required to revise its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity as approved in the FY 2015 Annual Plan. PHA will report on outcomes in the MTW Annual Report.

<i>HC #1: Additional Units of Housing Made Available</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0 units	267 units at the end of FY 2016*		

** HUD requires this metric track only newly constructed and/or rehabilitated units that were put under HAP Contract during the Plan year.*

HC #5: Increase in Resident Mobility

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0 households	2,277 households will be able to move to a better unit and/or neighborhood of opportunity by the end of FY 16.		

HC #7: Households Assisted by Services that Increase Housing Choice

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice (increase).	0 households	TBD*		

**HUD is requiring the use of this metric; however, PHA does not believe it is applicable in this context of this MTW activity. PHA will identify the current baseline as part of the FY 15 Annual Report and then establish a benchmark of maintaining this level going forward, i.e. PHA would not anticipate an increase in households assisted by services that increase housing choice.*

MTW Activity 2005-2: Streamline the Admissions and Transfer Process

Description/Update: PHA has established a number of MTW policies designed to streamline the admissions and transfer policies for both Public Housing and HCV Programs:

- **MTW Transfers** – PHA may authorize a limited number of split-family transfers from Public Housing to the Housing Choice Voucher Program and vice versa. These transfers are referred to as MTW transfers. PHA provides for up to 50 Housing Choice Vouchers and 50 PH units to be transferred back and forth between PH and the HCV program. No more than 100 moves are authorized per fiscal year. Eligibility is determined by PHA Senior Management on a case-by-case basis, based upon immediate need, disability needs and availability of vouchers or public housing units. Transfers are used to support witness protection activities, domestic violence prevention, and other needs. If a resident transfers from Public Housing to the Housing Choice Voucher program, that resident will be subject to HCV eligibility guidelines. This activity was approved and implemented in FY 2005 and is ongoing.
- **HCV Waiting List** – Once a family is leased under the HCV Program, the family may remain on the waiting lists for Tax Credit and Public Housing sites. Additionally, PHA may require that the family sign an agreement whereby the family acknowledges they will not be eligible for selection from the Tax Credit or Public Housing site waiting lists until the initial lease term has been completed. If the family's name comes to the top of the Tax Credit or Public Housing site waiting lists prior to completion of the initial lease term, the family will be skipped; however, they will retain their position on the waiting list. The family will be selected from the Tax Credit or Public Housing site waiting list when they have completed their initial lease term and a vacant unit is available. Additionally, the family will be subject to all applicable program screening and eligibility requirements. This initiative was approved as modified and implemented in FY 2012.
- **Public Housing Waiting List** – Once a family is housed in public housing, the family will be removed from all other scattered site and conventional PH waiting lists. However, a family may remain on the HCV and/or Tax Credit Site waiting lists. Additionally, PHA may require that the family sign an agreement whereby the family acknowledges that their name will be removed from all other scattered site and conventional PH waiting lists and they will not be eligible for selection from the HCV and/or Tax Credit Site waiting lists until the initial lease term has been completed. If the family's name comes to the top of the HCV and/or Tax Credit Site waiting lists prior to completion of the initial lease term, the family will be skipped; however, they will retain their position on the waiting list(s). The family will be selected from the HCV and/or Tax Credit Site waiting lists when they have completed their initial lease term and either a voucher or vacant unit is available. Additionally, the family will be subject to all applicable program screening and eligibility requirements. Applicants, as a reasonable accommodation, may request that their name remain on waiting lists once housed, and PHA, on a case-by case basis, will review these requests in order to accommodate the needs of a person with disabilities. This initiative was approved as modified and implemented in FY 2012.

Proposed Changes to Activity: No changes are proposed.

Changes to Benchmarks, Baseline, Metrics: Under HUD's revised MTW reporting requirements, PHA is required to revise its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity as approved in the FY 2015 Annual Plan. PHA will report on outcomes in the MTW Annual Report.

HC #3: Decrease in Wait List Time – MTW Transfers

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average applicant time on wait list in months (decrease).	TBD - Average applicant time on wait list prior to implementation of the activity (in months).	TBD - Expected average applicant time on wait list after implementation of the activity (in months).		

HC #5: Increase in Resident Mobility- MTW Transfers

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase)	0	25 (estimate based on recent history with MTW Transfer activity)		

CE #1: Agency Cost Savings – MTW Transfers

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Total cost of task in dollars (decrease).	0	0		
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CE #2: Staff Time Savings – HCV and Public Housing Waiting Lists

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Total time to complete the task in staff hours (decrease).	0	0		
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MTW Activity 2005-3: HCV Program Efficiencies

Description/Update: PHA is implementing additional efficiencies in the HCV Program designed to simplify processing and streamline administrative processes. The following is a summary of ongoing program components:

- **Moving to Work Family Agreement Addendum (MTWFAA)** – PHA has implemented a requirement for all HCV participants to sign a MTWFAA as a condition for approval of tenancy and continued occupancy. By signing the MTWFAA, participants agree to comply with all of the rules and regulations of PHA’s Housing Choice Voucher Program, including the MTW-related terms and conditions described in the MTWFAA. Failure to abide by the HCV Program rules and regulations and terms and conditions of the MTWFAA may result in termination from the HCV Program. This is an efficiency measure which ensures that participants have full and accurate information on participant responsibilities at the time of entry to the program. This activity was implemented in FY 2004 and is ongoing.
- **Restriction on Elective Moves** – PHA policy regarding moves during the initial lease term and at the time of biennial recertification pertains to moves both within PHA’s jurisdictions and initial moves outside of PHA’s jurisdiction. Families are not permitted to move within PHA’s jurisdiction during the initial term of assisted occupancy. The CEO or designee must approve exceptions to this policy. Subsequent to the initial lease term, families are permitted to move only at the time of biennial recertification or under extenuating circumstances as defined in the Administrative Plan subject to PHA management approval. Examples of extenuating circumstances include approved and documented VAWA or reasonable accommodation move requests. PHA may deny permission to move if the family violates HCV Program obligations and/or owes PHA money. This activity was approved and implemented in FY 2008 and is ongoing.
- **Criteria for Portability Moves** – PHA has established criteria for all port out moves. The criteria requires that MTW voucher participants requesting to port out provide a verified employment, education, safety, or medical/disability need to support their move to another jurisdiction. Families who are unable to provide a verified “employment, education, safety, or medical/disability need” will not be permitted to port out. PHA has established verification requirements to validate the family’s employment, education, safety, or medical/disability need. If a voucher participant leases up within the City of Philadelphia, they are not permitted to port out during their initial lease term except for extenuating circumstances such as approved and documented VAWA or reasonable accommodation requests. Subsequent to their initial lease term, families may only move at the time of their biennial reexamination. Families with vouchers administered under the VASH program are not subject to this policy. This MTW activity only applies to MTW voucher participants whose initial voucher was issued by PHA or those who have subsequently been absorbed by PHA. This activity was first approved in FY 2013.

Proposed Changes to Activity: No changes are proposed.

Changes to Benchmarks, Baseline, Metrics: Under HUD's revised MTW reporting requirements, PHA is required to revise its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity as approved in the FY 2015 Annual Plan. PHA will report on outcomes in the MTW Annual Report.

CE #1: Agency Cost Savings – MTW Family Addendum

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Total cost of task in dollars (decrease).	\$0*	\$0		
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**PHA implemented this activity in FY 2004 and does not have baseline information available for that period. PHA believes that the implementation of the MTW Family Addendum results in cost savings as a result of elimination of redundant staff time needed to review participant responsibilities multiple times. As this activity was implemented 10 years ago, no further agency cost savings are anticipated.*

CE #1: Agency Cost Savings – Restriction on Elective Moves

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Total cost of task in dollars (decrease).	\$25,259	\$25,259		
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**PHA implemented this activity in FY 2007 and does not have baseline cost information available for that period. See CE#2 below for this activity for estimate of staff time savings (in hours) already achieved. The benchmark for CE#1 agency costs savings is based on an average hourly labor rate of \$15.65 times 1,614 labor hours.*

CE #1: Agency Cost Savings – Criteria for Portability Moves

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Total cost of task in dollars (decrease).	\$8,451*	\$4,695		
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**Cost savings are calculated based on the labor hours listed below in CE#2 times an hourly labor rate of \$15.65.*

CE #2: Staff Time Savings – MTW Family Addendum

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Total time to complete the task in staff hours (decrease).	0*	0		
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**PHA implemented this activity in FY 2004 and does not have baseline information available for that period. PHA believes that the implementation of the MTW Family Addendum results in elimination of redundant staff time needed to review participant responsibilities multiple times. As this activity was implemented 10 years ago, no further staff time savings are anticipated.*

CE #2: Staff Time Savings – Restriction on Elective Moves

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Total time to complete the task in staff hours (decrease).	1,614 hrs. (based on 1,291 moves in most recent fiscal year)*	1,614*		
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**PHA implemented this activity in FY 2007 and does not have baseline information available for that period. Thus, the baseline reflects staff time savings already achieved. PHA has established a benchmark to continue the same or comparable level of staff time savings.*

CE #2: Staff Time Savings – Criteria for Portability Moves

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Total time to complete the task in staff hours (decrease).	540 hours (based on FY 12 port activity)	300 hours estimated		
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MTW Activity 2016-1 Second Chance Initiative

Description/Update: PHA will use its MTW authority to support implementation of the Second Chance Housing Choice Voucher Pilot Program. PHA's Board of Commissioners approved this program in October 2013 by adoption of the Second Chance Housing Policy. The policy permits the provision of 10 tenant-based vouchers for active participants in good standing with two partner agencies – the Eastern District Federal Court Supervision to Aid Reentry (STAR) Program and the Mayor's Office of Reintegration Services (RISE) program. Housing assistance will only be available to the participants for a period of up to two years, at which point the participants will be required to transition off the program to other affordable housing. The STAR Program works in conjunction with Federal Probation and Parole, to offer returning citizens an opportunity to reduce their parole period by one year through participation in the Re-Entry Program. Each participant signs a contract with their parole officer to transition the oversight of their parole to the two federal Judges that administer the STAR program. The STAR program collaborates with the local RISE program to provide counseling, education, job training and job placement services.

The STAR program is designed to provide multiple levels of support to returning citizens at the family, social and logistical level to assist in preventing recidivism. Participants voluntarily participate in the closely-monitored program, wherein specific criteria have to be fulfilled at regular intervals. RISE is the lead agency in the City of Philadelphia for the management of reintegration services for those formerly incarcerated in state prisons. It provides the skills, training, and education necessary for returning citizens to successfully re-integrate into society, avoid recidivism, and lead constructive, useful lives. The STAR program is a national model for aiding federal offenders in their reentry to society in coordination with RISE.

One of the barriers to successful re-entry has been access to housing. Many of the past program participants struggled to maintain employment, continue their education or reunite with their kin because they could not secure a stable home. Many participants resided with family members, paramours or friends, and these environments, typically, did not support a positive reentry into society. Therefore, PHA in partnership with the STAR and RISE programs is piloting a program that provides access to stabilized housing through the voucher program.

Participants in good standing with RISE and STAR will sign an addendum to their PHA application to allow PHA to monitor their participation in the RISE and STAR programs and to communicate with their probation officer, if applicable. Participants will also report their participation in the vocational, educational, social or community service opportunities offered by PHA and/or RISE on a quarterly basis. The collaborative reporting and participant management across PHA, STAR and RISE will help ensure that participants stay on track, access services, be good tenants. If a participant does not remain in good standing with the STAR and RISE programs they risk a return to confinement and loss of the voucher. Participants who do not meet their program responsibilities will be notified of proposed voucher termination by PHA. They may request an informal hearing through PHA's existing process to review and appeal this decision. Vouchers will be time-limited; however, all other requirements of PHA's MTW tenant-based voucher program including tenant rent contribution will apply. At this point, PHA plans to conduct the pilot program for an initial two-year period with a limit of ten vouchers.

Prior to the end of the pilot period, PHA will determine whether to continue, discontinue or expand the program in consultation with partner agencies, and will discuss as appropriate in future MTW Annual Plans and Reports. PHA anticipates full implementation of this activity in FY 2016.

Proposed Changes to Activity: No changes are proposed.

Changes to Benchmarks, Baseline, Metrics: Under HUD's revised MTW reporting requirements, PHA is required to revise its MTW benchmarks, baseline, and metrics for consistency with the recently established HUD Standard Metrics. The table below provides the revised information for this MTW activity as approved in the FY 2015 Annual Plan. PHA will report on outcomes in the MTW Annual Report.

CE #4: Increase in Resources Leveraged

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase).	\$0	Up to \$10,000		

**Participation is not mandatory ,and is based on the needs of the individual*

HC #5: Increase in Resident Mobility

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0	10 in FY 2016		

SS #1: Increase in Household Income

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Average earned income of households affected by this policy in dollars (increase).	TBD – This is a new program. PHA will determine average earned income of participants following enrollment.	0 increase in earned income in FY 2016 based on enrollment timetable.		
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SS #3: Increase in Positive Outcomes in Employment Status

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Employed Full-Time	10 program participants*	10 program participants in FY 2016		
	100% of program participants	100% of program participants in FY 2016		
Enrolled in a Job Training Program	0 program participants	5 program participants in FY 2016		
	0% of program participants	50% of program participants in FY 2016		
Enrolled in an Educational Program	0 program participants	5 program participants in FY 2016		
	0% of program participants	50% of program participants in FY 2016		

**All participants are required to be employed and maintain employment as a condition of participation; however, in the event they lose employment, they will be required to either obtain a new job or enroll in an educational or job training program as a condition of participation.*

SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	TBD – This is a new program. PHA will determine the number of households receiving TANF following enrollment.	TBD – This is a new program. PHA will set a benchmark after determining how many participants receive TANF.		

SS #5: Households Assisted by Services that Increase Self-Sufficiency

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	0	10*		

**At this time PHA only has one family enrolled in the program, which will not effectively measure the success of the program to date. Increased enrollment will provide sufficient data to provide a clear picture of outcome.*

SS #6: Reducing Per Unit Subsidy Costs for Participating Households

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	TBD – This is a new program. PHA will determine the average amount of Section 8 subsidy per household following enrollment.	TBD – This is a new program. PHA will set a benchmark after determining the average amount of Section 8 subsidy per household.		

SS #7: Increase in Agency Rental Revenue

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	TBD – This is a new program. PHA will determine the agency rental revenue following enrollment.	TBD – This is a new program. PHA will set a benchmark after determining the baseline agency rental revenue.		

SS #8: Households Transitioned to Self Sufficiency

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase). For this program purpose, PHA defines “self-sufficiency” as successfully completing the program and transitioning to other affordable housing.	0	0 in FY 16 based on program enrollment timetable		

B. Not Yet Implemented Activities

MTW Activity 2014-1: Flexible Subsidy Initiative

Description/Update: Through its affordable future “6 in 5” Initiative PHA intends to partner with qualified non-profit and for-profit developers to construct, rehabilitate, acquire, and/or preserve affordable rental housing, some of which may be public housing units. PHA has recently re-issued a Request for Proposals (RFP) to solicit developer proposals for this initiative. This activity was approved by the PHA Board and submitted to HUD for approval in late 2013 as part of a mid-year amendment to the MTW Annual Plan for FY 2014.

In order to promote the development and preservation of quality, affordable rental units that meet the diverse needs of low-income households, including special needs populations, PHA intends to utilize MTW flexibility in limited instances where the current public housing operating subsidy level (combined with projected tenant rental income) is inadequate to ensure the long-term viability of new public housing units to be developed and/or acquired under the affordable future initiative. Under this proposed MTW activity, PHA may elect to combine public housing operating subsidy with other MTW Block Grant funds to establish a local MTW flexible subsidy level higher than the standard public housing operating subsidy amount. PHA will only use such flexibility where the project otherwise meets PHA’s stated development objectives, but is determined to be financially infeasible without the use of higher flexible subsidy funding allowable under MTW. HUD review and approval will be required for each transaction involving MTW flexible subsidies as part of the mixed-finance closing process pursuant to the Public Housing Capital Fund Program. (The Mixed-Finance Development and Public Housing Development requirements are incorporated into the final rule, and the existing Mixed-Finance Development and Public Housing Development requirements at 24 C.F.R. Part 941 are removed.)

In light of the fact that the current MTW Agreement will expire in 2018 unless extended by HUD, PHA acknowledges that funding from the MTW Block Grant may not be available to support the additional operating subsidy after that date. PHA also acknowledges that the blended subsidy initiative may impact its current and future Replacement Housing Factor funds.

PHA may also request HUD review and approval of additional waivers to current public housing regulations in the interest of increasing housing choice, promoting long-term project viability, and encouraging more affordable housing development. The following waivers do not specifically require MTW authority; however, PHA is providing this information to clarify its intentions with respect to seeking additional waivers. PHA may request the following additional non-MTW waivers from HUD as part of the review and approval process for public housing mixed-finance transactions:

- Allowing the owner of public housing units that are to receive flexible subsidy, including PHA if it is the owner, to utilize public housing operating subsidy and other MTW funds, to pay for debt service associated with the project; and

- Allowing for the modification or elimination of the standard ten-year affordability “tail” in the Declaration of Restrictive Covenants.

Based on its five-year goal, PHA projects that 300 additional affordable units that utilize flexible subsidy will be achieved over a five-year period from FY 2015 through FY 2019. PHA has projected that 50% of these units will be new or substantial rehabilitation units and the remaining 50% will be preservation units.

Proposed Changes to Activity: Create a new middle / mixed-income housing strategy in order to promote mixed-use, mixed-income communities anchored by affordable housing.

PHA recognizes the needs of Philadelphia are changing population. PHA is seeking to broaden the range of Philadelphian’s who benefit from our affordable housing programs to include both the City’s lowest income residents and the middle-income workers who increasingly cannot afford to move into the city. To promote long-term community revitalization and economic diversity, we will seek MTW authorization for programs that allows for the targeting of moderate income households and middle-income households. Middle-income housing is essential to support our economy and workforce, which increasingly cannot afford to live in our city.

Changes to Metrics, Baseline and Benchmarks: As part of its submission to HUD, PHA incorporated the following HUD standard metrics for this activity.

HC #1: Additional Units of Housing Made Available

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0			

HC #2: Units of Housing Preserved

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase).	0			

C. Activities on Hold

Not applicable.

D. Closed Out Activities

The following table summarizes previously approved MTW activities that PHA has completed, discontinued, or determined do not require MTW authority to implement.

Plan Year	Activity	Reason for Close Out	Close Out Year
FY 2011	Community Service Policy	Determination made that activity does not require MTW flexibility.	FY 2013
FY 2011	Expanding Use of LIHTC	Determination made that proposed activities were covered under Partnership and Unit-Based Leasing/Development Initiatives.	FY 2013
FY 2011	Scattered Site Income Tiering	PHA elected to discontinue this initiative prior to its implementation based on decisions made as part of the scattered site asset repositioning initiative including disposition and auction of vacant and obsolete properties.	FY 2011
FY 2010	Accessible Unit Retrofitting and Development	PHA has completed the accessible unit retrofitting under Attachment E of the MTW Agreement. PHA will continue to develop accessible units as part of its revitalization programs; however, this activity does not require specific MTW authority.	FY 2014
FY 2009	Assisted Living	PHA discontinued this activity prior to its implementation based on a determination that sufficient funding was not available from state, federal and other required sources.	FY 2011
FY 2009	Home Care Services	PHA discontinued this activity prior to its implementation based on a determination that services can be more efficiently delivered through third-party partners.	FY 2011
FY 2007	Transitional Housing Facilities	Determination made that comparable activities are authorized under Partnership Initiative.	FY 2013
FY 2007	LIFE Program	Determination made that activity does not require MTW flexibility.	FY 2013
FY 2005	Comprehensive Resident Self Sufficiency Services	PHA continues to provide comprehensive resident self-sufficiency services that utilize MTW Block Grant funds. However, no MTW programmatic waivers are required. These activities are now referenced in Chapter V under the Single Fund Flexibility section.	FY 2014
FY 2005	Voucher Issuance	PHA elected to discontinue this policy based on an assessment that it would not contribute to PHA's utilization goals.	FY 2014
FY 2004	HCV Time Limit	PHA discontinued this activity due to economic conditions which limited the availability of jobs for residents.	FY 2012
FY 2004	Family Economic Development Action Plan/Tenant Responsibility Training	PHA discontinued this activity along with discontinuation of HCV time limit as they were interrelated activities.	FY 2014
FY 2004	Tenant Responsibility Training	Determination made that activity does not require MTW flexibility.	FY 2013
FY 2004	Blueprint	PHA continues to implement the Blueprint Program; however, a determination was made that activity does not require MTW flexibility.	FY 2013
FY 2004	HCV HQS Enforcement	PHA elected to discontinue this policy based on a decision to establish uniform HQS enforcement policies for both MTW and Non-MTW vouchers.	FY 2012
FY 2004	Public Housing Service Order Policy	PHA elected to discontinue this policy after discussions with the HUD Field Office concerning the need to expedite service order response times.	FY 2012

V. MTW SOURCES AND USES OF FUNDING

A. Estimated Sources and Uses of MTW Funding for Fiscal Year 2016

Tables 8 and 9 below provides estimated sources and uses of MTW funds for FY 2016. As PHA's funding levels for future periods are unknown at the present time, this table provides preliminary projections. Actual sources and uses are expected to vary based on the level of funding provided to PHA and the level of actual expenses. PHA's estimated Sources and Uses budget for FY 2016 assumes continued reductions in Public Housing Operating Subsidy, Capital Fund Program, HCV, and HCV Administrative fees. The tables follow HUD's required formats and do not include information on Non-MTW funding sources and uses. See also Appendix E for additional RHF-related information as required by the RHF Amendment to the MTW Agreement.

Table 8: Estimated Sources of MTW Funding for FY 2016

Sources		
FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	\$25,487,700
70600	HUD PHA Operating Grants	\$289,874,344
70610	Capital Grants	\$41,234,400
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	\$600,000
71200+71300+71310+71400+71500	Other Income	\$500,000
70000	Total Revenue	\$357,811,444

Table 9: Estimated Uses of MTW Funding for FY 2016

Uses		
FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating – Administrative	\$68,607,100
91300+91310+92000	Management Fee Expense	\$ 0
91810	Allocated Overhead	\$ 0
92500(92100+92200+92300+92400)	Total Tenant Services	\$5,020,750
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	\$53,648,400
95000 (95100+95200+95300+95500)	Total Protective Services	\$6,500,000
96100 (96110+96120+96130+96140)	Total Insurance Premiums	\$10,500,000
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	\$14,500,000
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	\$ 0
97100+97200	Total Extraordinary Maintenance	\$4,000,000
97300+97350	Housing Assistance Payments + HAP Portability-In	\$135,408,530
97400	Depreciation Expense	\$33,900,664
97500+97600+97700+97800	All Other Expenses	\$ 0
90000	Total Expenses	\$357,811,444

B. Use of Single Fund Flexibility

Under the MTW Program, PHA is authorized to establish an MTW Block Grant budget. Activities that utilize Block Grant single fund flexibility are summarized below:

Capital Activities to support the security systems upgrades, asbestos abatement projects, and elevator repairs and site improvements throughout PHA.

Family Program and comprehensive resident supportive service activities to support a wide range of public safety, program compliance, and training and education efforts for PHA residents including: youth development programs citywide; senior programs citywide; Pre-Apprenticeship Program; service coordination; job training and placement; educational partnership initiatives; affordable homeownership programs; Community Relations police units; Community Partners training and educational programs; and other Economic Development and Self-Sufficiency program activities. A summary of PHA's MTW and Non-MTW funded resident services programs is found in Table 10.

Quality of Life Programs to support Lease Enforcement and Section 8 investigations programs.

General Conditions to include functional enhancements and training on software systems, staff training, and energy management initiatives.

Table 10: Residents Service Program Summary for FY 2016

Program	Program Description	Target Population	Funding Source	Number of Residents
Early Childhood Education Partnerships	Pre-School Partnerships to ensure 3 year olds are enrolled into area Head Start programs	Children 3 to 5	US Department of Health and Human Services	100
Summer Food	Breakfast and lunch served on site to provide appropriate nutrition during the summer.	Youth 5 to 18	PA Department of Education/ MTW	726
Summer Camp	Summer enrichment activities to prevent academic regression.	Youth Ages 6 to 13	MTW	400
Afterschool	On site programs which meet the standard of providing (1) homework assistance, (2) project based learning, (3) community service, and (4) physical/ body kinesthetic activities	Youth Ages 6 to 13	MTW	335
Computer Lab	Access to computer technology for academic enrichment.	Residents 6 to 70	MTW	500
PhillySEEDS Scholarship	Competitive scholarship awards based on academic achievement.	Youth/Adults 18 to 55	DHHS/Section 3 Vendors	35
Scholars Internship Program (SIP)	Paid internships in the major field of study of PHA's scholarship awardees.	Youth/Adults 18 to 55, who have received scholarships from PhillySeeds.	Section 3 Vendors	25
ABE/GED	Adult Basic Education and General Equivalency Diploma education in the required domains.	Residents 18 to 55	MTW	60
Community Partners	Occupational Skills training in career areas with reasonable growth potential.	Residents 18 to 55	MTW	100 enrolled
Health & Wellness Programs	With Every Heartbeat There is Life, with a tobacco component to improve nutrition, exercise	Residents 18 to 55	MTW	100 enrolled
Financial Literacy	Course on credit and money management to enable residents to purchase homes.	Residents 18 to 55	MTW	500 enrolled
Pre-Apprenticeship	Building Maintenance and	Residents 18 to 56	MTW/MOCS	20 enrolled

Program	Program Description	Target Population	Funding Source	Number of Residents
	Construction Training Program			
Home Ownership	Housing counseling about the home purchase process. This includes 5H, HCV, and Section 32.	Residents 18 to 55	US Department of Health and Human Services/ MTW	20 purchasing homes
ROSS	Assessment of individual and family needs, followed by referrals and tracking.	Residents 18 to 55	HUD	300
FSS	Assessment of individual and family needs, followed by referrals and tracking.	Residents 18 to 55	HUD	1000
Senior CTR/Programs	Evidence based activities, which reduce the number of seniors, who leave public housing to enter nursing homes.	Residents 55 and over	Philadelphia Corporation for Aging	300
CHSP	Meal program, which not only enable residents to have appropriate nutrition, but also best practice fellowship to support aging in place.	Residents 55 and over	HUD	13
Healthy Café	Kiosk to provide a 10% match for the congregate Housing Program.	Residents 55 and over	Resident purchases	13
Section 3	Ensure that economic opportunities, are provided to PHA residents	Residents 18 to 55	Private vendors that meet the Section 3 threshold	TBD by contract award
Adult Day/Elder Care	Multi-service center for residents, who can not complete activities of daily living.	Residents 55 and over	Commonwealth of PA/MTW	32

C. Local Asset Management Plan

Is the PHA allocating costs within statute? No, as allowed under the MTW Agreement.

Is the PHA implementing a local asset management plan (LAMP)? Yes.

If the PHA is implementing a LAMP, it shall be described in an appendix every year beginning with the year it is proposed and approved. It shall explain deviations from existing HUD requirements and should be updated if any changes are made to the LAMP.

Has the PHA provided a LAMP in the appendix? Yes

Pursuant to its MTW Agreement, PHA has developed a Local Asset Management Plan that describes the agency's cost allocation plan and other technical components of PHA's local asset management strategy. HUD approved initial PHA's Local Asset Management Plan as part of the MTW FY 2010 Annual Plan submission. A copy of the approved Plan is found in Appendix A.

VI. ADMINISTRATIVE

A. Resolution

A Resolution approving the FY 2016 MTW Annual Plan and the MTW Plan Certification of Compliance was adopted by the PHA Board of Commissioners at their December 2014 meeting following the public review process and public hearing. The Resolution is included in Appendix B.

B. Public Review Process

PHA provided public notice of the draft FY 2016 MTW Annual Plan and posted the draft Plan on its website. A public comment period to allow for resident and general public review was provided from November 17 – December 17, 2014. A public hearing (attended by 27 persons) was held on December 1, 2014 at the John F. Street Center, an accessible facility. PHA also conducted a discussion meeting with resident leadership (attended by 10 resident leaders) on November 25, 2014 to discuss Plan contents and provide additional opportunities for resident input. Prior to finalizing the Plan, PHA considered the comments received during the public review process.

C. Evaluations

PHA has established the Office of Policy, Research and Enterprise Planning (OPREP) which – among other duties – focuses on assisting PHA departments with developing and evaluating MTW initiatives. PHA is committed to both maximizing the use of MTW flexibility to promote MTW statutory objectives and PHA's goals, and sharpening the internal focus on monitoring and evaluating MTW outcomes.

D. Annual Statement/Performance and Evaluation Report

The Annual Statement/Performance and Evaluation Reports for all capital grants with unexpended amounts are included in Appendix F.

APPENDIX A – LOCAL ASSET MANAGEMENT PLAN

APPENDIX A – Local Asset Management Plan

Introduction

Pursuant to the First Amendment to the Moving to Work Agreement, in Fiscal Year 2010 (MTW Year Nine) the Philadelphia Housing Authority implemented a local asset management plan for its Public Housing Program as described herein. In the implementation of the plan, PHA adopted cost accounting and financial reporting methods that comply with OMB Circular A-87, OMB Circular A-133 and generally accepted accounting practices.

PHA's plan supports and is consistent with the agency's ongoing implementation of project based management, budgeting, accounting and financial management. PHA's project based management system emphasizes the provision of property management services that have met agency-wide standards while responding to the unique needs of each property. Day to day operations of PHA sites are coordinated and overseen by Asset Managers assigned to each property. PHA Asset Managers oversee the following management and maintenance tasks:

- Marketing and tenant selection
- Rent collections
- Routine and preventive maintenance
- Unit turnover
- Security
- Resident services
- Resident and community relations
- Capital improvements planning
- Other activities necessary to support the efficient operations of the site

In the implementation of these project level management activities, other PHA departments including Client Services, Public Safety, Maintenance, Development, ISM, Finance and Budget, Quality Assurance, and the Office of Strategic Management support PHA Asset Managers. Asset Managers are routinely provided with on-line detailed and summary management reports on budget status and all key performance indicators to facilitate their monitoring and oversight of property level activities. PHA also conducts multidisciplinary Performance Management meetings at quarterly intervals, to allow for a thorough review of key performance indicators at the individual site and system-wide levels.

PHA Asset Managers develop and monitor property budgets with support from the PHA Finance and Budget staff. Budget trainings are held annually to support the budget development process. Asset Managers are provided with tools to develop their budget estimates including property-specific non-utility and utility cost data from the prior 18 months.

PHA's local asset management plan is consistent with the principles of asset management described in 24 CFR 990.255 and in the First Amendment to PHA's MTW Agreement. Further, the plan is generally consistent with the provisions of 24 CFR 990.260, 990.265, 990.270, 990.275 and 990.285. As allowed under the First Amendment to the MTW Agreement, PHA's local asset management plan deviates from parts of 24 CFR 990.280, including requirements related to property management fees and fees for services. PHA will utilize the Cost Allocation method referenced in paragraph 6.F.4.b of the First Amendment.

Due to the unique features of the Philadelphia market, PHA's housing portfolio, and the agency, PHA has determined that use of the Cost Allocation method is the most efficient, cost-effective means of achieving the asset management principles referenced above. The factors that impact PHA's asset management plans include, but are not necessarily limited to, the following:

- Scattered Site Portfolio. PHA has over 4190 scattered site properties, which represents nearly 1/3 of its public housing portfolio. We understand this is far and away the largest scattered site public housing portfolio in the country. The geographic diversity of these scattered site units impacts warehouse operations, locations and numbers of management offices, and staffing requirements. The scattered site portfolio also includes a number of vacant lots, for which no HUD subsidy is received and for which a fee-based asset management approach could not be implemented. PHA has developed a strategy for reconfiguring this portfolio in a way that would be more cost-effective to operate which has been submitted to HUD for approval. Managing these sites presents unique challenges that PHA's asset management plans are structured to address.
- Aging Housing Stock. PHA operates one of the oldest public housing stocks in the country. It is more costly to operate than newer housing. PHA has engaged in an aggressive development program during the last few years to upgrade and redevelop its units. Due to a lack of adequate funds, this process is far from complete.
- Unionized Workforce. PHA has a heavily unionized workforce. Currently, PHA has contracts with approximately 11 unions. This significantly impacts the operations and costs of PHA's activities. As such, PHA's asset management plan is structured to be cost effective within the limits of these contracts.
- MTW Initiatives. Since the onset of its participation in MTW, PHA has sought to use its MTW flexibilities to implement agency-wide cost-cutting initiatives that will increase efficiencies, maximize use of federal dollars, and benefit PHA's clients. PHA has moved many functions to the site-based level, however a number of MTW initiatives require central administration so they can be adequately measured. For example, PHA has implemented innovative technological systems to maximize efficiencies in admissions, property management, and client services. There are costs associated with development and implementation of these systems before they are implemented at the site level. Under MTW, PHA has also implemented departmental

oversight protocols through its Quality Assurance Program. PHA's quality control program has already made PHA's programs more efficient by reducing errors and improving oversight.

- **Local Costs.** Philadelphia is an old, industrial city where labor costs for maintenance and construction activities are significant. These high costs can be attributed to, in part, prevailing wage requirements as well as the cost of materials and services in the Philadelphia market.

A description of the cost allocation plan and other technical components of PHA's local asset management plan to be applied in MTW Year 12 follow.

I. AMP Definitions

An AMP will include any site that receives Operating Subsidies through HUD's Operating Fund Calculation. PHA will have two types of PHA managed AMPs and PAPMC/AME managed AMPs. The revenue and expense allocations will be different for each type since PHA's revenue and expenses vary for each site. (APPENDIX 1)

II. Balance Sheet Items (Assets, Liabilities & Equity)

PHA has analyzed and distributed all balance sheet account items between the AMPs and the Indirect Cost Departments. PHA completed the balance sheet distribution by May 15, 2009 for presentation on the fiscal year ending March 31, 2009 financial statements. PHA submitted the Financial Data Schedule (FDS) for fiscal year ending March 31, 2009 in compliance with the Local Asset Management Plan on July 1, 2009. The FDS for the following fiscal years, March 31, 2010, and March 31, 2011 were also submitted in compliance with the Local Asset Management Plan.

A. Cash & Investments

PHA has distributed all reconciled cash for reporting purposes between the PHA Managed AMPs and the Indirect Cost Departments except for the cash related to the insurance settlement for Plymouth Hall and the investments related to PHASI. The cash and investments and the related liabilities were presented with the Plymouth Hall AMP and for PHASI with the Other Projects column of the FDS. Under the Special Instructions for preparing Financial Data Schedules for MTW Agencies as provided by HUD that PHA will be required to comply with for fiscal year ending March 31, 2010, PHA will report the PHASI activity in the MTW column. PHA has not created new physical cash accounts with the bank for each of the PHA Managed AMPs. PHA's accounting system can separate the cash accounts between the PHA Managed AMPs. All cash activity will be paid or received through one physical bank account, but on PHA's ledger, the cash activity will be posted to cash for the PHA Managed AMPs. When cash receipts are received, the cash receipts will post to each of the individual PHA Managed AMPs to the cash and proper offset account for the appropriate PHA Managed AMPs. Checks that are written for direct expenses will be charged to the appropriate PHA Managed AMPs expense account and cash.

PHA has elected to charge each site for allocated indirect overhead and frontline expenses rather than utilizing the fee for service model. PHA calculates the total expenses for the Indirect Cost Departments at the end of each fiscal year, and then allocates these expenses to each of the PHA Managed AMPs. PHA's accounting system allows PHA to establish this as an automated process.

Each fiscal year, investment income has been allocated between the PHA Managed AMPs and the Indirect Cost Departments based on cash balances from the end of the respective fiscal year.

B. Tenant Accounts Receivable and Allowance for Doubtful Accounts

At fiscal year ending March 31, 2011, PHA adjusted the tenant accounts receivable balances for each of the PHA Managed AMPs to the appropriate PHA Managed AMP based on the latest tenant ledgers from Emphasis. PHA's accounting policies recognizes the tenant accounts receivable balance as the outstanding balance from all tenants in possession of a unit plus the outstanding balances due from tenants that have vacated during the fiscal year. All other vacated tenant accounts receivable balances are written off at the end of each fiscal year after board approval. PHA's tenant ledger from the Emphasis system will provide PHA with the data to separate these amounts. PHA also adjusted the allowance for doubtful accounts at fiscal year ending March 31, 2011, so that the balances are distributed to the PHA Managed AMPs. PHA continues to reconcile the tenant accounts receivable balance at the end of each fiscal year to the tenant ledger by AMP and make the corresponding adjustments to the allowance for doubtful accounts by AMP.

PAPMC/AME Managed AMPs will not be included in the LIPH (Fund 001) financial statements. Tenant accounts receivable and allowance for doubtful accounts are included in the PHA Audited financial statements for each discretely presented component unit.

C. Other Accounts Receivable

Other accounts receivable will be distributed based on the purpose and source of the receivable. Receivables related to a PHA Managed AMP and PAPMC / AME Managed AMP will be distributed to the specific AMP. Any receivable that is not associated to a specific AMP will be distributed to the Indirect Cost Departments.

D. PHAS1 Assets and Liability / Worker's Compensation Liability

The PHAS1 and Worker's Compensation liabilities will remain with the Indirect Cost Departments. At this time, PHA has determined that these liabilities are PHA Agency Wide liabilities and not liabilities of the PHA Managed AMPs or the Indirect Cost Departments. However, PHA has utilized the LIPH (Fund 001) cash accounts in the past to pay most Agency Wide liabilities. Then, the LIPH (Fund 001) receives reimbursements from other programs where applicable. The expenses related to the

PHAS1 liability and worker's compensation liability will continue to be charged to appropriate programs or AMPs. PHA has created a cash reserve for each of these liabilities that have been funded over the years by all programs based on the allocation of salaries. The cash reserves offset PHA's liabilities so that each of the liabilities is fully funded. PHA utilizes the reserves to pay the liabilities as needed. PHA will review the treatment of these liabilities and corresponding cash reserves on an annual basis to confirm that its treatment is appropriate.

E. Prepaid Insurance

The prepaid insurance balances for the PHA Managed AMPs will be distributed to the correct AMP based on the allocation used to allocate the insurance expense.

PAPMC/AME Managed AMPs will not be included in the LIPH (Fund 001) financial statements. Prepaid insurance is included in the PHA Audited financial statements for each discretely presented component unit.

F. Materials Inventory

PHA implemented an e-procurement system that will streamline the purchasing process by connecting the site and support staffs' material needs directly to the vendor. This will allow the staff to order material as needed and receive materials only on an as needed basis. Currently, PHA has one warehouse, which is located on Bartram Avenue. The inventory at this site is used for routine maintenance needs at all of PHA's sites.

PAPMC/AME Managed AMPs will not be included in the LIPH (Fund 001) financial statements. Materials inventory is included in the PHA audited financial statements for each discretely presented component unit.

G. Fixed assets and accumulated depreciation

Fixed assets and accumulated depreciation are reconciled to the PeopleSoft Asset Module and distributed to the appropriate PHA Managed AMPs and the Indirect Cost Departments. PHA has reviewed and analyzed all fixed assets and verified that the fixed assets and depreciation are charged to the appropriate PHA Managed AMP or Indirect Cost Department. PHA has identified the individual cost for each scattered site unit and has established each individual unit as an asset in the fixed asset module. PHA's Asset Module (AM) has been established for many years. AM provides PHA with the ability to prepare fixed asset and depreciation reports by AMP or department. AM tracks all of the fixed assets transactions and records all monthly fixed asset entries to the appropriate PHA Managed AMP or Indirect Cost Department.

PAPMC/AME Managed AMPs will not be included in the LIPH (Fund 001) financial statements. Fixed assets and accumulated depreciation are included in the PHA Audited financial statements for each discretely presented component unit.

II. Accounts Payable and Accrued Liabilities

Other accounts payable and accrued liabilities includes all liabilities not specifically referred to in the following detailed liability categories. Other accounts payable and accrued liabilities have been distributed based on the purpose and source of the payable or liability. Payables or liabilities related to a PHA Managed AMP and PAPMC / AME Managed AMP will be distributed to the specific AMP. Any payable or liability that is not associated to a specific AMP has been distributed to the Indirect Cost Departments.

I. Payroll Liabilities

All payroll liabilities will continue to be presented with the Indirect Cost Departments. At this time, PHA has determined that these liabilities are PHA Agency Wide liabilities and not liabilities of the PHA Managed AMPs or the Indirect Cost Departments. However, PHA has utilized the LIPH (Fund 001) cash accounts in the past to pay most Agency Wide liabilities. Then, the LIPH (Fund 001) receives reimbursements from other programs where applicable. The expenses related to the payroll liabilities will continue to be charged to appropriate programs or AMPs. PHA will continue to review the treatment of these liabilities on an annual basis to confirm that its treatment is appropriate.

J. Compensated Absences

Compensated absences liabilities will be distributed between the Indirect Cost Departments and the PHA Managed AMPs based on where payroll is charged. No compensated absences liabilities will be distributed to the PAPMC / AME AMPs because no payroll will be charged to those AMPs.

K. Equity

Equity has been reclassified based on the redistribution of all assets and liabilities. By definition, the Invested in Capital Assets equity balance will follow the Net Fixed Assets that are owned by an AMPs or Departments. Invested in capital assets will be distributed between the Indirect Cost Departments and the PHA Managed AMPs based on where the Net Fixed Assets amount is distributed.

Based on the Special Instructions for Preparing Financial Data Schedules for Moving to Work Agencies, PHA will report all unrestricted net assets for the LIPH (Fund 001) program with the MTW column, CFDA #14.881. All unrestricted net asset balances for the PHA Managed AMPs will be adjusted to zero, and PHA will only provide each PHA Managed AMP with funding to operate the program. Any excess funding or operating profit or loss will be absorbed into the MTW program based on the principle that the MTW program is treated as a single funding source.

PAPMC/AME Managed AMPs will not be included in the LIPH (Fund 001) financial statements. Investments in capital assets are included in the PHA Audited financial

statements for each discretely presented component unit. Unrestricted net assets are included in the PHA Audited financial statements for each discretely presented component unit.

III. Revenue

A. Tenant Revenues

1. PHA Managed AMPs

Tenant Revenues will be directly charged to the appropriate AMP.

2. PAPMC/AME Managed AMPs

PAPMC/AME Managed AMPs will not be included in the LIPH (Fund 001) financial statements. Tenant revenue is included in the PHA Audited financial statements for each discretely presented component unit.

B. Direct Revenue

Direct revenues include tenant fees and service charges that can be identified and charged to a specific site.

1. PHA Managed AMPs

PHA currently records all direct revenues to the proper PHA Managed AMP. PHA currently records all tenant charges and any direct revenues to the proper PHA Managed AMP. PHA's account structure includes the program code (AMP number) and the appropriate department code, which enables PHA to charge the revenues to the proper PHA Managed AMPs.

PHA's systems and procedures related to direct revenues currently in application are in compliance with asset based accounting. PHA's systems and procedures will require no transition period or transition procedures to comply with asset based accounting requirements of presenting all direct revenues under the proper AMP.

2. PAPMC/AME Managed AMPs

PAPMC/AME Managed AMPs will not be included in the LIPH (Fund 001) financial statements. Direct revenues are included in the PHA Audited financial statements for each discretely presented component unit.

C. Indirect Revenues

Indirect revenues are other income items that cannot be identified or charged to a specific AMP or to the Indirect Cost Departments. Indirect revenues will be allocated between the PHA Managed AMPs based on the percentage of units available. PHA will review the treatment of these liabilities on an annual basis to confirm that its treatment is appropriate.

D. HUD Operating Subsidy

1. PAPMC / AME Managed AMPs

The Operating Subsidy paid to the PAPMC / AME Managed AMPs will continue to be based on the amount agreed to in the R&O Agreement. The Operating Subsidy amount actually paid to the PAPMC / AME Managed AMPs will be presented as an operating subsidy revenue and direct expense under the appropriate AMP.

2. PHA Managed AMPs

For PHA's project based accounting purposes, Operating Subsidy is considered an indirect revenue source. PHA's Operating Subsidy is provided in one block as if PHA were one AMP. The funding for all AMPs is calculated using the same Allowable Expense Level per PHA's MTW agreement. Since the basis of the funding calculation is the same across all AMPs, PHA considers Operating Subsidy an indirect revenue source. For all PAPMC and AME Managed AMPs, the amount of subsidy revenue allocated to these sites will be based on the R & O agreements.

PHA will distribute the remaining operating subsidy to the PHA Managed AMPs based on the actual operating needs for each of the PHA Managed AMPs. The operating subsidy transferred will be sufficient for each PHA Managed AMP to have neither an operating profit nor loss.

PHA will examine the financial needs of each of the PHA Managed AMPs using its financial statements to determine that the HUD Operating Subsidy allocated to PHA Managed AMPs is sufficient for the AMP's financial needs.

E. Operating Transfers from the MTW Block (Excess HAP) & CFP

1. PHA Managed AMPs

PHA has included in its MTW annual plan Operating Transfers from the MTW Program and the CFP Program into the Public Housing Program to offset operating expenses. PHA has determined that the appropriate treatment of Operating Transfers at the current time will be to allocate the Operating Transfers to all PHA Managed AMPs based on the number of available units. The Operating Transfers are made to assist the PHA Managed AMPs with its

operations. PHA may need to adjust the allocation of the Operating Transfers in fiscal years to assign the operating needs of one AMP over another AMP that may not need the assistance. PHA's MTW agreement with HUD permits the PHA flexibility to move funds between its Public Housing, Section 8 HCV, and CFP programs. PHA will reserve the right to adjust the allocations of the Operating Transfers to meet the financial needs of all of the PHA Managed AMPs.

2. PAPMC / AME Managed AMPs

Operating Transfers will not be allocated to the PAPMC / AME Managed AMPs.

IV. Expenses

A. Direct Expenses

1. PHA Managed AMPs

PHA currently records all direct expenses to the proper AMP. PHA's procurement and accounts payables processes include assigning the proper chart fields or account structure. PHA's account structure includes the program code (AMP number) and the appropriate department code.

For payroll, PHA directly charges all payroll costs using account labels. Account labels are used to tell PHA's accounting system where to directly charge an employee's payroll costs. PHA can setup as many account labels as needed to have payroll costs charged to the proper program, department, AMP, etc. based on PHA's requirements. PHA's accounting system gives the Authority the automated ability to charge payroll costs from the employee timesheets to the proper account. When employees complete their weekly timesheets, the employees report all hours to account labels. The timesheets allow employees to charge as many account labels as needed during the week. Employees submit their timesheets to their direct supervisor for approval. The direct supervisor verifies that the correct account labels. PHA's systems and procedures related to direct expenses currently in application are in compliance with asset based accounting. PHA's systems and procedures will require no transition period or transition procedures to comply with asset based accounting requirements of presenting all direct revenue and expenses under the proper AMP.

2. PAPMC/AME Managed AMPs

The only PAPMC/AME Managed AMPs direct expenses that will be included in the LIPH (Fund 001) financial statements are PHA's payment of Operating Subsidies. All other direct expenses are included in the PHA Audited financial statements for each discretely presented component unit.

B. Corporate Legal

PHA has diverse legal issues due to the size of its programs. PHA will analyze legal expenses to determine the appropriate treatment of the legal expenditures. The treatments of the legal expenses are as follows:

1. Direct Legal Expenses

Legal expenses that can be identified as a direct cost to a specific AMP will be charged to that AMP.

2. Indirect Legal Expenses for the Benefit of PHA Managed AMPs

Indirect legal expenses that cannot be defined as costs for a specific AMP, but can be identified as providing benefits to the PHA Managed AMPs will be prorated across all AMPs.

3. Indirect Legal Expenses to Support MTW Objectives

Indirect legal expenses that cannot be defined as costs for a specific AMP, and cannot be identified as providing benefits to the PHA Managed AMPs will be considered legal expenses to support the MTW objectives. The legal expenses will be charged to the Indirect Cost Department. PHA will utilize interest income and MTW transfers to offset these expenses.

C. Maintenance Expenses

1. Payroll Expenses

PHA currently directly charges all maintenance payroll costs to the direct PHA Managed AMP. PHA directly charges all payroll costs using account labels. Account labels are used to tell PHA's accounting system where to directly charge a maintenance employee's payroll costs. PHA can setup as many account labels as needed to have payroll costs charged to the proper PHA Managed AMP. PHA's accounting system gives the Authority the automated ability to charge maintenance payroll costs from the employee timesheets to the proper account. When maintenance employees complete their weekly timesheets, the employees report all hours to account labels. The timesheets allow maintenance employees to charge as many account labels as needed during the week. Maintenance employees submit their timesheets to their direct supervisor for approval. The direct supervisor verifies that the correct account labels.

2. Materials and Contract Costs

PHA currently records all maintenance materials and contract costs directly to the proper PHA Managed AMP. PHA's procurement and accounts payables processes

include assigning the proper chart fields or account structure. PHA's account structure includes the program code (AMP number) and the appropriate department code.

PHA's systems and procedures related to maintenance materials and contract costs currently in application are in compliance with asset based accounting. PHA's systems and procedures will require no transition period or transition procedures to comply with asset based accounting requirements of presenting all direct revenues and expenses under the proper AMP.

D. Indirect Expenses

1. PHA Managed AMPs

PHA will be using an allocation to charge overhead from the Indirect Cost Departments to the AMPs. The Indirect Cost Departments expenditures will be allocated to all PHA Managed AMPs. (APPENDIX 3) The overhead allocation account will always have a credit balance under the Indirect Cost Departments to offset the expenses allocated to the AMPs. PHA will have the ability to print reports that present the total revenues and operating expenses of the Indirect Cost Departments and show the overhead allocation amount as a contra to the operating expenses.

PHA will review each cost department, Indirect Cost and Frontline, to determine the appropriate allocation for each department. PHA will review all of its allocations on an annual basis to determine if each of the PHA Managed AMPs is charged the proper amount of expenses. The review of the allocations will examine the financial effects of the allocations to each of the AMPs. PHA will reserve the right to adjust allocations as needed to assist the financial solvency of all of the PHA Managed AMPs.

At the end of each fiscal year, PHA has calculated the total expenses of the Indirect Cost Departments, and then prepared an allocation of those expenses across all of the PHA Managed AMPs which has been presented as allocated overhead.

2. PAPMC / AME Managed AMPs

The Indirect Cost Departments expenditures will not be normally allocated to PAPMC / AME Managed AMPs. If expenditures are determined to benefit the PAPMC / AME Managed AMPs, those expenditures will be directly charged to the appropriate PAPMC / AME Managed AMPs.

E. Frontline Expenses

1. PHA Managed AMPs

PHA has certain frontline expenses that will be provided centrally since this is the most cost-effective way to provide these services. These services are provided to PHA Managed AMPs only. The prorating of expenses to the AMPs will be determined on a department-by-department basis, so that the AMPs receiving services from the department are charged an appropriate percentage of the department expenses (APPENDIX 2). Frontline expenses will be charged to the appropriate expense accounts for the AMPs.

PHA will review all of its allocations on an annual basis to determine if each of the PHA Managed AMPs is charged the proper amount of expenses. The review of the allocations will examine the financial effects of the allocations to each of the AMPs. PHA will reserve the right to adjust allocations as needed to assist the financial solvency of all of the PHA Managed AMPs.

2. PAPMC / AME Managed AMPs

The Indirect Cost Department's expenditures will not be normally allocated to PAPMC / AME Managed AMPs. If expenditures are determined to benefit the PAPMC / AME Managed AMPs, those expenditures will be directly charged to the appropriate PAPMC / AME Managed AMPs.

V. Capital Fund Program

PHA will apply all expenditures under the Capital Fund program to three areas, PHA Managed AMPs, PAPMC / AME Managed AMPs, and Capital Projects. Under PHA's MTW agreement, PHA is permitted flexibility with the expenditures of Capital Funds. Some of the expenditures that PHA will not be able to apply all expenditures made under the Capital Fund Program to a specific PHA Managed AMP or PAPMC / AME Managed AMP. PHA will create a separate category to charge these expenditures, Capital Projects.

Although PHA is an MTW agency and is not required to, PHA reports and tracks all CFP expenditures based on the CFP Budget Line Items. PHA has determined this method to be accurate and efficient method to track CFP expenditures.

A. 1406 Expenditures

1406 expenditures will be prorated across all PHA Managed AMPs. PHA has included in its annual plan Operating Transfers from the CFP Program into the Public Housing Program to offset operating expenses. PHA has determined that the appropriate treatment of Operating Transfers at the current time will be to allocate the Operating Transfers to all PHA Managed AMPs based on the number of available units. PHA will establish an account number for the CFP Operating Transfers. The Operating Transfers are made to assist the PHA Managed AMPs with its operations. PHA may need to adjust the allocation of the Operating Transfers in fiscal years to

assist the operating needs of one AMP over another AMP that may not need the assistance. PHA will reserve the right to adjust the allocations of the Operating Transfer to meet the financial needs of all of the PHA Managed AMPs. PHA will not present expenditures for the CFP under the Capital Projects cost department for BLI 1406.

B. 1408 / 1410 / 1430 Expenditures

PHA utilizes CFP Grant Funds in many different ways to support PHA's MTW objectives. PHA will analyze grant expenditures in these three Budget Line Items (BLIs) to determine the appropriate treatment of the expenditures. The three treatments are as follows:

1. Direct Expenditures

Expenditures that can be identified as a direct cost to a specific AMP will be charged to that AMP.

2. Indirect Expenditures for the Benefit of PHA Managed AMPs

Indirect costs that cannot be defined as expenditures for a specific AMP, but can be identified as providing benefits to the PHA Managed AMPs will be prorated across all AMPs. This would include expenditures in the 1410 BLI. PHA utilizes 10% of each year's annual award to charge an allocated percentage of administrative salaries and benefits per PHA's OMB circular A-833 compliant Indirect Cost Allocation Plan. PHA will continue to allocate administrative salaries and benefits to this BLI; however, at this time the expenditures will be prorated across all the PHA Managed AMPs. PHA will review these expenditures on an annual basis to determine if any adjustments to the allocation are required.

3. Indirect Expenditures to Support Capital Projects

Indirect costs that cannot be defined as expenditures for a specific AMP, and cannot be identified as providing benefits to the PHA Managed AMPs will be considered expenditures to support the Capital Projects. Some CFP expenditures that are included in this area would include Staff Training, Software Improvements and Database Management, and Pre-apprenticeship Job Training Programs.

C. 1501 Expenditures

1501 expenditures are related to the repayment and interest on Construction Bonds that were approved by HUD in prior fiscal years. PHA received 4 series of bonds. HUD repays the bonds and interest on different schedules for each of bonds on a semi-annual basis. PHA utilized the proceeds of the Construction

Bonds for the benefit of several different PHA Managed AMPs, for Homeownership units that have been sold, and for PAPMC / AME Managed AMPs. PHA also utilized the interest earned on the proceeds for the benefit of construction projects. PHA will not be able to identify which specific PHA Managed AMP or PAPMC / AME Managed AMPs to charge the annual payments of principle and interest. PHA plans to charge the expenditures to the Capital Projects category.

D. All Other CFP BLIs

PHA currently charges most of the grant expenditures under BLIs 1440 to 1499 to a specific PHA Managed AMP or PAPMC / AME Managed AMP. As with the other Capital Fund Program BLIs, there will be some expenditures made that PHA will not be able to charge to a specific PHA Managed AMP or PAPMC / AME Managed AMP. In these few cases, PHA will charge the expenditures to the Capital Projects category.

E. Project Based Budgeting

PHA currently prepares project based operating budgets and operating budgets for all of the departments. PHA adds all of the budgets to the Automated Accounting System. The operating budgets are currently used in the procurement and accounts payable process. The operating budgets are consolidated for the purposes of preparing PHA's monthly financial statements. PHA needs to add to the operating budgets for each of the projects and departments budget amounts for the Indirect Cost and Frontline Expense Departments allocation account. PHA's operating budget process is currently in compliance with the HUD Project Based Budgeting requirements.

When PHA has prepared its Capital Fund Program Budgets, PHA determines specific capital work items that need to be completed at all or some of PHA sites. PHA does not establish a Capital Budget by site, but by work item. Then once PHA determines which sites PHA will perform the work item, PHA reclassifies the budget amount from a PHA Wide work item to the specific site. PHA will continue this process; however, the budget will be established at the Capital Projects category rather than PHA Wide.

VI. FDS Reporting - Financial Data Schedule ("FDS")

PHA will submit its FYE 2012 FDS in compliance with the HUD "Special Instructions for Preparing Financial Data Schedules for Moving To Work Agencies" published March 9, 2010.

APPENDIX A LOCAL ASSET MANAGEMENT PLAN

APPENDIX1

PHA MANAGED SITES PAPMC / AME MANAGED SITES

PROJECT			PROJECT		
PA2-003	Richard Allen	150	PA2-126	801amonds	152
PA2-010	Raymond	552	PA2-127	Spring	86
PA2-013	Wilson Park	727	PA2-128	Martin	49
PA2-014	Norris	145	PA2-129	Cambridge	40
PA2-015	Harrison	299	PA2-130	Falls Ridge	135
PA2-018	Arch Homes	73	PA2-131	St. Anthony 's	38
PA2-020	Spring	203	PA2 132	Suffolk	137
PA2-024	Queen lane	19	PA2-133	Richard Allen	178
PA2-029	Hill Creek	331	PA2-136	Mart n	45
PA2 030	Abbottsford	235	PA2 137	Cambridge	44
PA2-031	Bartram	499	PA2-138	Mount Olivet	161
PA2-032	Oxford	199	PA2-139	Greater	245
PA2-034	Whitehall	248	PA2-143	Greater	184
	Apartments			Grays Ferry	
PA2-035	Haddlnton	147	PA2-145	Estates II Lucien E.	80
PA2-039	West Park	323	PA2-146	Angela Court	67
PA2-042	Champlost	102	PA2-147	Cambridge	40
PA2-046	Haverford	24	PA2-148	Neumann	67
PA2-049	Morton	248	PA2-149	Martin	42
PA2-050	Blumberg	498	PA2-150	Lucien E.	80
PA2-054	Parkview	20	PA2-152	Germantown	133
PA2-055	Falrhlll	264	PA2-153	Lucien E.	so
PA2-062	Pt. Breeze	71	PA2-156	Marshal	80
PA2-063	Katie 8	56	PA2-157	Ludlow Phase	75
PA2-065	College View	54	PA2-158	Nellie	64
PA2-066	Holmecrest	84	PA2-159	Angela	54
PA2-076	Emlen. Arms	155	PA2-160	Warnock I	50
PAI-077	Bentley Hall	96	PA2-161	Warnock II	45
PA2-079	Plymouth	53	PA2-162	Spring	32
PA2-093	Westpark	65	PA2-163	Mantua I	50
PA2-100	Cecil B	29	PA2-164	Mantua II	51
PA2-104	Arlene	32	PA2-173	Paschall	49
PA2-114	Gladys B	80	PA2-174	Paschall	50
PA2-901	Haddlnton	430	PA2-175	Norris, LP	51
PA2-902	Mantua	383			
PA2-903	Kingsesslng	518			
PA2-904	Germantown	362			
PA2-905	Falrhlll	451			
PA2-906	Francisville	417			
PA2-907	Ludlow	427			
PA2-908	Susquehanna	411			
PA2-909	Strawberry	429			
PA2 910	Oxford	341			
Total		10,780	TOTAL		3,174

Unit counts are those Included in subsidy calculation for calendar year ending 12/31/14

APPENDIX2

Department

ID

Department Description

FRONTLINE DEPARTMENTS AND PRORATION METHODS

Proration Method

404404	Special Operations	Unit Percentage of PHA Managed
405405	Environmental Services	Unit Percentage of PHA Managed
406406	Inspections	Unit Percentage of PHA Managed
407407	Safety Office	Unit Percentage of PHA Managed
427427	Family Self Sufficiency	Unit Percentage of PHA Managed
441441	Public Housing Admissions	Unit Percentage of PHA Managed
442442	Public Housing Leasing	Unit Percentage of PHA Managed
455455	Conventional Sites Specialty Crews	Unit Percentage of PHA Managed
456456	Combustion	Unit Percentage of PHA Managed
462462	Force Account Programs	Unit Percentage of PHA Managed
463463	Work Order Center	Unit Percentage of PHA Managed
464464	Vector Control	Unit Percentage of PHA Managed
467467	Provisional Roofing	Unit Percentage of PHA Managed
468468	Roofing Inspections	Unit Percentage of PHA Managed
470470	Primary Electric	Unit Percentage of PHA Managed
471471	Elevators	Unit Percentage of PHA Managed
472472	Lock Shop	Unit Percentage of PHA Managed
473473	Specialty Plumbing	Unit Percentage of PHA Managed
494494	Fleet Management	Unit Percentage of PHA Managed
496496	Risk Management Insurance	Unit Percentage of PHA Managed
512512	Lease Enforcement/Compliance	Unit Percentage of PHA Managed
601601	Call Center	Unit Percentage of PHA Managed
651651	Customer Support Services	Unit Percentage of PHA Managed
602602	Events	Unit Percentage of PHA Managed
709712	End User Support Services	Unit Percentage of PHA Managed
440440	Office, General Manager, Scattered	Unit Percentage of Scattered Sites
450450	Office, General Manager, Conv.	Unit Percentage of Conventional
460460	Office, GM, Scattered Sites Malnt.	Unit Percentage of Scattered Sites
431431/451451	North Area Management	Unit Percentage of North Region
432432/452452	Northeast Area Management	Unit Percentage of Northeast
433433/453453	South Area Management	Unit Percentage of South Region
434434/454454	West Area Management	Unit Percentage of West Region
438438/458458	North Central Area Management	Unit Percentage of North Central
431431/451451	North Area Vacancy Crew	Unit Percentage of North Region
432432/452452	Northeast Area Vacancy Crew	Unit Percentage of Northeast
433433/453453	South Area Vacancy crew	Unit Percentage of South Region
434434/454454	West Area Vacancy Crew	Unit Percentage of West Region
438438/458458	North Central Area Vacancy Crew	Unit Percentage of North Central
490490-493493	PHA Police	Unit Percentage of PHA Managed AMPs Only

APPENDIX 2 (CONTINUED)
PHA FRONTLINE PRORATION RATE CALCULATIONS PROJECT

NUMBER	PROJECT NAME	UNITS	PERCENTAGE
PA2-001	Johnson Homes	530	4.9165%
PA2-003	Richard Allen	150	1.3915%
PA2-010	Raymond Rosen	552	5.1206%
PA2-013	Wilson Park	727	6.7440%
PA2-014	Norris Apartments	145	1.3451%
PA2-015	Harrison Plaza	299	2.7737%
PA2-018	Arch Homes	73	0.6772%
PA2-020	Spring Garden Apartments	203	1.8831%
PA2-024	Queen Lane Apartments	19	0.1763%
PA2-029	Hill Creek	331	3.0705%
PA2-030	Abbottsford Homes	235	2.1800%
PA2-031	Bartram Village	499	4.6289%
PA2-032	Oxford Village	199	1.8460%
PA2-034	Whitehall Apartments	248	2.3006%
PA2-035	Haddington Homes	147	1.3636%
PA2-039	West Park Apartments	323	2.9963%
PA2-042	Champlost Homes	102	0.9462%
PA2-046	Haverford Homes	24	0.2226%
PA2-049	Morton Homes	248	2.3006%
PA2-050	Blumberg Apts	498	4.6197%
PA2-054	Parkview Apartments	20	0.1855%
PA2-055	Fairhill Apartments	264	2.4490%
PA2-062	Pt. Breeze	71	0.6586%
PA2-063	Katie B Jackson	56	0.5195%
PA2-065	College View	54	0.5009%
PA2-066	Holmecrest Homes	84	0.7792%
PA2-076	Emlen Arms	155	1.4378%
PA2-077	Bentley Hall	96	0.8905%
PA2-079	Plymouth Hall	53	0.4917%
PA2-093	Westpark Plaza	65	0.6030%
PA2-100	Cecil B Moore	29	0.2690%
PA2-104	Arlene Homes	32	0.2968%
PA2-114	Gladys B Jacobs	80	0.7421%
PA2-901	Haddington	430	3.9889%
PA2-902	Mantua	383	3.5529%
PA2-903	Kingsessing	518	4.8052%
PA2-904	Germantown/Hunting Park	362	3.3581%
PA2-905	Fairhill Square	451	4.1837%
PA2-906	Francisville	417	3.8683%
PA2-907	Ludlow	427	3.9610%
PA2-908	Susquehanna	411	3.8126%
PA2-909	Strawberry Mansion	429	3.9796%
PA2-910	Oxford Jefferson	341	3.1633%

PHA Managed AMPs Only Total

10,780 100.00%

Unit counts are those included in subsidy calculation for calendar year ending 12/31/14

APPENDIX2(CONTINUED)
PHA FRONTUNE PRORATION RATE CALCULATIONS

PROJECT

NUMBER PROJECT NAME UNITS PERCENTAGE

Germantown Region

PA2-024	Queen lane Apartments	19	2.503%
PA2-030	Abbottsford Homes	235	30.962%
PA2-042	Champlost Homes	102	13.439%
PA2-049	Morton Homes	248	32.675%
PA2-076	Emlen Arms	155	20.422%
Germantown Region Total		759	100.000%

North Central Region

PA2-001	Johnson Homes	530	31.623%
PA2-010	Raymond Rosen	552	32.936%
PA2-050	Blumberg Apts	498	29.714%
PA2-077	Bentley Hall	96	5.728%
North Central Region Total		1676	100.000%

North Region

PA2-003	Richard Allen	150	13.146%
PA2-014	Norris Apartment s	145	12.708%
PA2-015	Harrison Plaza	299	26.205%
PA2-020	Spring Garden Apartment	203	17.791%
PA2-055	Fairhlll Apartments	264	23.138%
PA2-114	Gladys B Jacobs	80	7.011%
North Region Total		1141	100.000%

Northeast Region

PA2-029	Hill Creek	331	36.175%
PA2-032	Oxford Village	199	21.749%
PA2-034	Whitehall Apartment s	248	27.104%
PA2-066	Holmecrest Homes	84	9.180%
PA2-079	Plymouth Hall	53	5.792%
Northeas Region Total		915	100.000%

APPENDIX2(CONTINUED)

Scattered Sites Region

PA2-054	Parkview Apartments	20	0.465%
PA2-065	College View	54	1.255%
PA2-100	Cecil B Moore	29	0.674%
PA2-104	Arlene Homes	32	0.743%
PA2-901	Haddington	430	9.991%
PA2-902	Mantua	383	8.899%
PA2-903	Kingsessing	518	12.035%
PA2-904	Germantown/Hunting Park	362	8.411%
PA2-905	Fairhill Square	451	10.479%
PA2-906	Francisville	417	9.689%
PA2-907	Ludlow	427	9.921%
PA2-908	Susquehanna	411	9.549%
PA2-909	Strawberry Mansion	429	9.967%
PA2-910	Oxford Jefferson	341	7.923%
Scattered Sites Region Total		4304	100.000%

South Region

PA2-013	Wilson Park	727	51.269%
PA2-031	Bartram Village	499	35.190%
PA2-062	Pt. Breeze	71	5.007%
PA2-063	Katie B Jackson	56	3.949%
PA2 093	Westpark Plaza	65	4.584%
South	Region Total	1418	100.000%

West Region

PA2-018	Arch Homes	73	12.875%
PA2-035	Haddington Homes	147	25.926%
PA2-039	West Park Apartments	323	56.966%
PA2-046	Haverford Homes	24	4.233%
West Region Total		567	100.000%

Unit counts are those Included in subsidy calculation for calendar year ending 12/31/14

APPENDIX2(CONTINUED)

PHA FRONTUNE PRORATION RATE CALCULATIONS

PROJECT

NUMBER PROJECT NAME UNITS PERCENTAGE

Conventional Sites

PA2-001	Johnson Homes	530	8.1841%
PA2-003	Richard Allen	150	2.3162%
PA2-010	Raymond Rosen	552	8.5238%
PA2-013	Wilson Park	727	11.2261%
PA2-014	Norris Apartments	145	2.2390%
PA2-015	Harrison Plaza	299	4.6170%
PA2-018	Arch Homes	73	1.1272%
PA2-020	Spring Garden	203	3.1347%
PA2-024	Queen Lane Apartments	19	0.2934%
PA2-029	Hill Creek	331	5.1112%
PA2-030	Abbottsford Homes	235	3.6288%
PA2-031	Bartram Village	499	7.7054%
PA2-032	Oxford Village	199	3.0729%
PA2-034	Whitehall Apartments	248	3.8295%
PA2-035	Haddington Homes	147	2.2699%
PA2-039	West Park Apartments	323	4.9876%
PA2-042	Champlost Homes	102	1.5750%
PA2-046	Haverford Homes	24	0.3706%
PA2-049	Morton Homes	248	3.8295%
PA2-050	Blumberg Apts	498	7.6899%
PA2-055	Fairhill Apartments	264	4.0766%
PA2-062	Pt. Breeze	71	1.0964%
PA2-063	Katie B Jackson	56	0.8647%
PA2-066	Holmecrest Homes	84	1.2971%
PA2-076	Emlen Arms	155	2.3935%
PA2-077	Bentley Hall	96	1.4824%
PA2-079	Plymouth Hall	53	0.8184%
PA2-093	Westpark Plaza	65	1.0037%
PA2-114	Gladys B Jacobs	80	1.2353%
Conventional Sites Total		6476	100.00%

Unit counts are those Included In subsidy calculation for calendar year ending 12/31/14

APPENDIX2(CONTINUED)

APPENDIX 3**INDIRECT COST DEPARTMENTS OVERHEAD ALLOCATION RATES PROJECT**

NUMBER	PROJECT NAME	UNITS	%
PA2-001	Johnson Homes	530	4.9165%
EEPA2-003	Richard Allen	150	1.3915%
PA2-010	Raymond Rosen	552	5.1206%
PA2-013	Wilson Park	727	6.7440%
PA2-014	Norris Apartments	145	1.3451%
PA2-015	Harrison Plaza	299	2.7737%
PA2-018	Arch Homes	73	0.6772%
PA2-020	Spring Garden Apartments	203	1.8831%
PA2-024	Queen Lane Apartments	19	0.1763%
PA2-029	Hill Creek	331	3.0705%
PA2-030	Abbottsford Homes	235	2.1800%
PA2-031	Bartram Village	499	4.6289%
PA2-032	Oxford Village	199	1.8460%
PA2-034	Whitehall Apartments	248	2.3006%
PA2-035	Haddington Homes	147	1.3636%
PA2-039	West Park Apartments	323	2.9963%
PA2-042	Champlost Homes	102	0.9462%
PA2-046	Haverford Homes	24	0.2226%
PA2-049	Morton Homes	248	2.3006%
PA2-050	Blumberg Apts	498	4.6197%
PA2-054	Parkview Apartments	20	0.1855%
PA2-055	Fairhill Apartments	264	2.4490%
PA2-062	Pt. Breeze	71	0.6586%
PA2-063	Katie B Jackson	56	0.5195%
PA2-065	College View	54	0.5009%
PA2-066	Holmecrest Homes	84	0.7792%
PA2-076	Emlen Arms	155	1.4378%
PA2-077	Bentley Hall	96	0.8905%
PA2-079	Plymouth Hall	53	0.4917%
PA2-093	Westpark Plaza	65	0.6030%
PA2-100	Cecil B Moore	29	0.2690%
PA2-104	Arlene Homes	32	0.2968%
PA2-114	Gladys B Jacobs	80	0.7421%
PA2-901	Haddington	430	3.9889%
PA2-902	Mantua	383	3.5529%
PA2-903	Klngsensing	518	4.8052%
PA2-904	Germantown/Hunting Park	362	3.3581%
PA2-905	Fairhill Square	451	4.1837%
PA2-906	Francisville	417	3.8683%
PA2-907	Ludlow	427	3.9610%
PA2-908	Susquehanna	411	3.8126%
PAI-909	Strawberry Mansion	429	3.9796%
PA2-910	Oxford Jefferson	341	3.1633%

PHA Managed AMPs Only Total

10,780 100.00%

APPENDIX 2 (CONTINUED)

Unit counts are those included in subsidy calculation for calendar year ending 12/31/14

APPENDIX B – BOARD RESOLUTION AND MTW CERTIFICATION

RESOLUTION NO. 11752

RESOLUTION AUTHORIZING THE PHILADELPHIA HOUSING AUTHORITY TO SUBMIT ITS MOVING TO WORK ("MTW") ANNUAL PLAN ("PLAN") FOR FISCAL YEAR SIXTEEN TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ("HUD") AND TO TAKE ALL ACTIONS TO OBTAIN HUD APPROVAL AND IMPLEMENT THE PLAN

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") administers a Moving to Work ("MTW") Demonstration Program that is designed to provide the opportunity for selected Housing Authorities to explore and demonstrate more efficient ways to provide and administer low-income housing; and

WHEREAS, pursuant to Philadelphia Housing Authority ("PHA") Board of Commissioners Resolution No. 10618, dated December 21, 2000, PHA submitted to HUD an MTW Application Plan and Agreement; and

WHEREAS, since 2001, when HUD accepted PHA's application for participation in the MTW Demonstration Program and HUD and PHA executed a MTW Demonstration Agreement ("MTW Agreement"), PHA has continuously participated in the MTW Demonstration Program; and

WHEREAS, as a participant in the MTW Demonstration Program, PHA is required to develop an MTW Annual Plan for each fiscal year during the term of the MTW Agreement, which outlines the PHA budget and MTW activities, and to submit the Annual Plan for approval by its Board at least seventy-five (75) days prior to the beginning of each fiscal year; and

WHEREAS, PHA has developed the MTW Annual Plan for Fiscal Year Sixteen ("Plan"), beginning on April 1, 2015, a summary of which is attached hereto as Attachment "A," and which has been distributed to the Board;

WHEREAS, PHA has fulfilled the HUD requirement of providing opportunities for resident and public participation and comment on the Annual Plan, including scheduling at least one (1) public hearing and taking into consideration any comments received, by: 1) holding an introductory meeting with resident leadership and interested PHA residents on November 25, 2014; 2) holding a public hearing on December 1, 2014; 3) posting the draft plan on PHA's website; 4) making copies of the draft plan available at PHA site offices; and 5) accepting and considering public comments over a period lasting from November 17, 2014 to December 17, 2014; and

WHEREAS, PHA is a block grant agency and the MTW Annual Plan includes a consolidated budget in accordance with the MTW Agreement;

BE IT RESOLVED, that the Board of Commissioners does hereby approve the MTW Annual Plan for Fiscal Year Sixteen, in substantially the form distributed to the Board, and authorize PHA's Chair and/or its President & CEO or their authorized designee(s) to: 1) submit to HUD the PHA MTW Annual Plan for Fiscal Year Sixteen; 2) take all steps necessary to finalize and secure HUD approval and implement initiatives as described in the Plan, subject to receipt of adequate funding from HUD; 3) certify that the Public Hearing requirement has been met; and 4) execute the HUD Certifications of Compliance with MTW Plan Requirements and Related Regulations, in substantially the form attached hereto as Attachment B.

I hereby certify that this was

APPROVED BY THE BOARD ON 12/01/14

Richard L. Brown, Jr.
ATTORNEY FOR PHA

Page 12 of 15

Form 50900: Elements for the Annual MTW Plan and Annual MTW Report

Attachment B

Certifications of Compliance

Annual Moving to Work Plan
Certifications of Compliance

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

Certifications of Compliance with Regulations:
Board Resolution to Accompany the Annual Moving to Work Plan *

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the PHA fiscal year beginning April 1, 2015, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the PHA conducted a public hearing to discuss the Plan and invited public comment.
2. The PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.
3. The PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50025.1.
4. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and Title II of the Americans with Disabilities Act of 1990.
5. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
6. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
7. The PHA will affirmatively further fair housing by examining its programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low- or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
11. The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
12. The PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 37, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.

13. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
14. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
15. The PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.
16. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
17. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
18. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
19. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
20. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.
21. All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its Plan and will continue to be made available at least at the primary business office of the PHA.

Philadelphia Housing Authority
PHA Name

PA002
PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Lynette Brown-Sow
Name of Authorized Official

Chair of the Board of Commissioners
Title


Signature

1/3/15
Date

*Must be signed by either the Chairman or Secretary of the Board of the PHA's legislative body. This certification cannot be signed by an employee unless authorized by the PHA Board to do so. If this document is not signed by the Chairman or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.

Certification for a Drug-Free Workplace

U.S. Department of Housing
and Urban Development

Applicant Name

Philadelphia Housing Authority

Program/Activity Receiving Federal Grant Funding

Moving to Work Annual Plan FY 2016

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition,

b. Establishing an on-going drug-free awareness program to inform employees ---

(1) The dangers of drug abuse in the workplace;

(2) The Applicant's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;

d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. Sites for Work Performance. The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above. Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.

12 South 23rd Street, Philadelphia PA 19103 and all PHA sites

Check here ☐ if there are workplaces on file that are not identified on the attached sheets.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.
(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

Kelvin A. Jeremiah

Title

President & CEO

Signature

Date

1/5/15

X

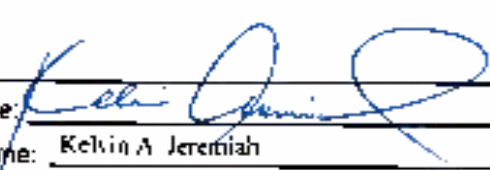
DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

Approved by OMB

0348-0046

(See reverse for public burden disclosure.)

1. Type of Federal Action: a. <input type="checkbox"/> a. contract b. <input type="checkbox"/> b. grant c. <input type="checkbox"/> c. cooperative agreement d. <input type="checkbox"/> d. loan e. <input type="checkbox"/> e. loan guarantee f. <input type="checkbox"/> f. loan insurance		2. Status of Federal Action: a. <input type="checkbox"/> a. bid/offer/application b. <input type="checkbox"/> b. initial award c. <input type="checkbox"/> c. post-award		3. Report Type: a. <input type="checkbox"/> a. initial filing b. <input type="checkbox"/> b. material change For Material Change Only: year _____ quarter _____ date of last report _____	
4. Name and Address of Reporting Entity: <input checked="" type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier: _____ if known: _____ Congressional District, if known: 4c 2nd			5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: Congressional District, if known: _____		
6. Federal Department/Agency: U.S. Department of Housing and Urban Development			7. Federal Program Name/Description: Moving to Work Annual Plan FY 2016 CFDA Number, if applicable: 14.870		
8. Federal Action Number, if known:			9. Award Amount, if known: \$		
10. a. Name and Address of Lobbying Registrant (if individual, last name, first name, MI) Not applicable			b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI)		
11. Information submitted through this form is submitted by the 31 U.S.C. Section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance has been placed by the HHS above when the transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.			Signature:  Print Name: Kelvin A. Jeremiah Title: President & CEO Telephone No.: 215-684-4174 Date: 11/5/15		
Federal Use Only:				Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)	

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the first tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number, invitation for bid (IFB) number, grant announcement number, the contract, grant, or loan award number, the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-02-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.
(b) Enter the full names of the individual(s) performing services and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

Certification of Payments to Influence Federal Transactions

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (Exp. 01/31/2017)

Location:

Philadelphia Housing Authority

Program Activity: Receiving Federal Grant Funding

Working on Work Annual Plan FY 2015

The undersigned certifies, to the best of his or her knowledge and belief, that:


(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-278, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall certify that the language of this certification be included in the award documents for all subawards at all levels including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements, and that all sub recipients shall certify and file the same accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1015, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

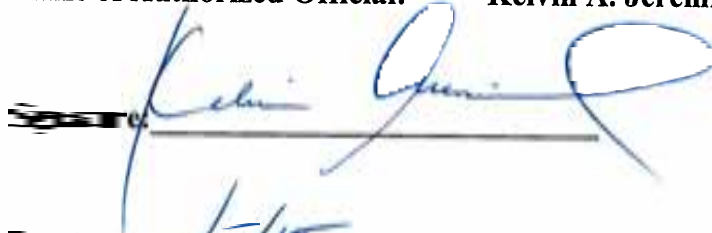
I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.
Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)


Signature of Official	Signature of CEO
	
Date	Date
10/1/15	11/5/15

**ADDENDA
TO
CERTIFICATION OF PAYMENTS TO INFLUENCE FEDERAL TRANSACTIONS**

This certification does not extend to actions taken prior to my appointment as President & CEO of the Philadelphia Housing Authority.

Name of Authorized Official: **Kelvin A. Jeremiah, President & CEO**





**U.S. Department of Housing
and Urban Development**

THE UNIVERSITY OF CHICAGO PRESS

Print Date: 24-Aug-2014 10:44:29 AM

Location of the Project: The development and implementation of a software training and economic development initiative in Pinar del Rio, Cuba, with the City of ConPlan and A. 2015 Consociated Part interest and 2015

Name of the Federal Program to which the applicant is applying: HUD - Moving to Work Demonstration

Name of Certifying Jurisdiction: City of Philadelphia, Office of Housing & Community Development

Certifying Official
of the Jurisdiction
Name: **Deborah McColloch**

Title: Director

Signature:

12/10/2014

APPENDIX C – ASSET MANAGEMENT TABLE

Appendix C : Public Housing Long term Asset Management Table

Name, Number and Location	Number and Type of Units	Development Activities	Demolition/ Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Abbottsford Homes PA002030	Phases I & II; 688 Family Units	Possible site for additional redevelopment including commercial space, through mixed financing.	Possible disposition of a portion of the site in connection with mixed-finance development.		Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	
Arch Homes PA002018	77 Family	Possible candidate for modernization, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with RAD/CNI and/or LIHTC Application.			Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	
Bartram Village PA002031	492 Family Units	Possible candidate for modernization, rehabilitation, revitalization, which may include some demolition with capital funds, bond proceeds, MTW, program incomes, private funds with RAD/CNI and/or LIHTC Application.	Possible demolition in connection with the modernization and revitalization, and possible disposition in connection with mixed-finance development.		Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component in connection with potential modernization and revitalization.
Bentley Hall PA002077	100 Elderly Units			99 Elderly Units	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	

Appendix C : Public Housing Long term Asset Management Table

Blumberg Apartments PA002050	499 Units: High/Low Rise: Family & Elderly	Possible candidate for modernization, rehabilitation, revitalization, which may include some demolition with capital funds, bond proceeds, MTW, program incomes, private funds with RAD/CNI and/or LIHTC Application.	Possible demolition in connection with the modernization and revitalization, and possible disposition in connection with mixed-finance development.	94 units designated.	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component in connection with potential modernization and revitalization.
Cambridge Plaza Phase I PA-002137	44 LIHTC Rental Units					
Cambridge Plaza Phase II PA-002129	40 LIHTC Rental Units					
Cambridge Plaza Phase III Phase I PA002147	40 LIHTC Rental Units					
Cassie Holly (Point Breeze Court) PA002062	71 Elderly Units	Possible candidate for modernization, rehabilitation with capital funds, bond proceeds, MTW, program incomes, private funds with RAD/CNI and/or LIHTC Application.		71 Elderly Units	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	
Champlost Homes PA002042	102 Family				Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	
City-Wide	To be determined	Provision of ACC subsidy, capital funds or HCV.	Dispo/Demo application to be submitted to HUD.			

Appendix C : Public Housing Long term Asset Management Table

Collegeview Homes PA002065	54 Elderly	Possible candidate for modernization, rehabilitation with capital funds, bond proceeds, MTW, program incomes, private funds with RAD/CNI and/or LIHTC Application.		54 Elderly Units	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	
Courtyard Apartments at Riverview PA002053 New PA#: PA002121	470 LIHTC Rental Units	Possible candidate for modernization, rehabilitation with capital funds, bond proceeds, MTW, program incomes, private funds with RAD/CNI and/or LIHTC Application.				
Deleted - Brewerytown	45	Acquisition, new development and rehabilitation of housing stock along with neighborhood revitalization efforts. May be developed by PHA or alternative financing services by a CDC, non-profit, or for-profit organization. May use ACCs and/or Capital Funds to develop units.	Possible demolition in connection with modernization and revitalization, and possible disposition in connection with mixed-finance development. Additional disposition applications and conveyances to RDA and/or PHA wholly-owned subsidiary and/or private owner may be required.	May be requesting Elderly or Disabled Only Designation Plan	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component, subject to Section 32 of the USHA of 1937 will include lease purchase, conventional sale and Housing Choice vouchers.
Deleted - Brown Street Village PA002096	Originally 87 Units; total development slated for homeownership.	Homeownership development. All units sold.				Turnkey III Released for Occupancy in 1980-1982. Homeowner's Association formed. Homeownership component, subject to Section 32 of the USHA of 1937 will include lease purchase, conventional sale and Housing Choice vouchers.

Appendix C : Public Housing Long term Asset Management Table

Deleted - Eastern Germantown Infill	45	Acquisition, new development and rehabilitation of housing stock along with neighborhood revitalization efforts. May be developed by PHA or alternative financing services by a CDC, non-profit, or for-profit organization. May use ACCs and/or Capital Funds to develop units.	Possible demolition in connection with modernization and revitalization, and possible disposition in connection with mixed-finance development. Additional disposition applications and conveyances to RDA and/or PHA wholly-owned subsidiary and/or private owner may be required.	May be requesting Elderly or Disabled Only Designation Plan	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component, subject to Section 32 of the USHA of 1937 will include lease purchase, conventional sale and Housing Choice vouchers.
Deleted - Empowerment Zone 2100 Block of American	45		Possible demolition in connection with modernization and revitalization, and possible disposition in connection with mixed-finance development. Additional disposition applications and conveyances to RDA and/or PHA wholly-owned subsidiary and/or private owner may be required.	May be requesting Elderly or Disabled Only Designation Plan	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component, subject to Section 32 of the USHA of 1937 will include lease purchase, conventional sale and Housing Choice vouchers.
Deleted - Kensington North	TBD.	Acquisition, new development for 80 units and rehabilitation of scattered site housing stock along with neighborhood revitalization efforts. May be developed by PHA or alternative financing services by a CDC, non-profit, or for-profit organization. May use ACCs and/or Capital Funds to develop units.	Possible demolition in connection with modernization and revitalization, and possible disposition in connection with mixed-finance development. Additional disposition applications and conveyances to RDA and/or PHA wholly-owned subsidiary and/or private owner may be required.		Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component, subject to Section 32 of the USHA of 1937 will include lease purchase, conventional sale and Housing Choice vouchers.
Deleted - Ludlow HOPE 6 Area Scattered Sites PA #s: PA002154	Phases I, II, III, IV & V; 75 LIHTC and 103 Homeownership units	Development completed				

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Eastern North Philadelphia	45	Acquisition, new development and rehabilitation of housing stock along with neighborhood revitalization efforts. May be developed by PHA or alternative financing services by a CDC, non-profit, or for-profit organization. May use ACCs and/or Capital Funds to develop units.	Possible demolition in connection with modernization and revitalization, and possible disposition in connection with mixed-finance development. Additional disposition applications and conveyances to RDA and/or PHA wholly-owned subsidiary and/or private owner may be required.	May be requesting Elderly or Disabled Only Designation Plan	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component, subject to Section 32 of the USHA of 1937 will include lease purchase, conventional sale and Housing Choice vouchers.
Eight Diamonds PA00126 PA00141 (Formerly known as Raymond Rosen Off-Site PA002126)	Phases A & B; 152 Family					
Emlen Arms PA002076	156 Elderly High Rise			156 Elderly Units	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	
Fairhill Apartments PA002055	264 Family					
Falls Ridge PA002130	135 LIHTC Rental Units;	Acquisition, new development and rehabilitation of housing stock along with neighborhood revitalization efforts. May be developed by PHA or alternative financing services by a CDC, non-profit, or for-profit organization. May use ACCs and/or Capital Funds to develop units.				

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Francisville	45	Acquisition, new development and rehabilitation of housing stock along with neighborhood revitalization efforts. May be developed by PHA or alternative financing services by a CDC, non-profit, or for-profit organization. May use ACCs and/or Capital Funds to develop units.	Possible demolition in connection with modernization and revitalization, and possible disposition in connection with mixed-finance development. Additional disposition applications and conveyances to RDA and/or PHA wholly-owned subsidiary and/or private owner may be required.	May be requesting Elderly or Disabled Only Designation Plan	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component, subject to Section 32 of the USHA of 1937 will include lease purchase, conventional sale and Housing Choice vouchers.
Germantown House PA002152	133 Units			133 Elderly Units	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	
Gladys B. Jacobs PA002114	80 Elderly	Possible renovation for delivery of enhanced senior support services.		80 Elderly Units		
Greater Grays Ferry Estates (Formerly known as Tasker Homes) New AMP#s: PA002139 PA002143	429 LIHTC rental units; 125 replacement home ownership units.	Possible mixed-finance development and commercial development including community building on PHA vacant lots and public parcels .	Possible disposition in connection with non-dwelling commercial development including community building.			
Haddington Homes PA002035	150 Family	Possible candidate for modernization, rehabilitation, revitalization, which may include some demolition with capital funds, bond proceeds, MTW, program incomes, private funds with RAD/CNI and/or LIHTC Application.	Possible demolition in connection with the modernization and revitalization, and possible disposition in connection with mixed-finance development.		Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component in connection with potential modernization and revitalization.

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Harrison Plaza PA002015	300 Family High and Low Rise	Possible candidate for modernization, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with RAD/CNI and/or LIHTC Application.			Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	
Haverford Homes PA002046	24 Family	Possible candidate for modernization, rehabilitation, with capital funds, bond proceeds, MTW, program incomes, private funds with RAD/CNI and/or LIHTC Application.			Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component in connection with potential modernization and revitalization.
Herbert Arlene Homes PA002104	32 Family	Possible candidate for modernization, rehabilitation, revitalization, which may include some demolition with capital funds, bond proceeds, MTW, program incomes, private funds with RAD/CNI and/or LIHTC Application.	Possible demolition in connection with the modernization and revitalization, and possible disposition in connection with mixed-finance development.	Possible Elderly Designation	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	
Hill Creek Apts I & II PA002029	334 Family	Possible candidate for modernization, rehabilitation, revitalization, which may include some demolition with capital funds, bond proceeds, MTW, program incomes, private funds with RAD/CNI and/or LIHTC Application.			Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	

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Holmecrest Apartments PA002066	84 Elderly	Possible candidate for modernization, rehabilitation with capital funds, bond proceeds, MTW, program incomes, private funds with RAD/CNI and/or LIHTC Application.		84 Elderly Units	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	
Inglis House	TBD	May provide capital funds, ACC subsidy and/or Section 8 vouchers for this project.				
James Weldon Johnson House PA002001	535 Family	Possible candidate for modernization, rehabilitation with capital funds, bond proceeds, MTW, program incomes, private funds with RAD/CNI and/or LIHTC Application.		Possible Elderly Designation	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	
Katie B. Jackson PA002063	59 Elderly Family	9 Possible candidate for modernization, rehabilitation with capital funds, bond proceeds, MTW, program incomes, private funds with RAD/CNI and/or LIHTC Application.		59 Elderly Units	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	
Liddonfield Homes I PA002023	412 Family Low Rise	Possible candidate for revitalization/development by third party developer.	Demolition completed.			Possible homeownership component in connection with potential modernization and revitalization.
Lucien E. Blackwell Homes Phase I PA002145	80 LIHTC Rental Units					

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Lucien E. Blackwell Homes Phase II PA002150	80 LIHTC Rental Units					
Lucien E. Blackwell Homes Phase III PA002153	50 LIHTC Rental Units					
Lucien E. Blackwell Homes Phase IV (Marshall Shepard Village) PA002156	80 LIHTC Rental Units					
Mantua Hall PA002045	152 Family High-Rise Units	All units completed.				
Martin Luther King Plaza PA002036 New PA#s: PA002128 PA002136 PA002149	Phases I, II, III, IV, V & VI; 136 LIHTC Rental Units and 109 Replacement Homeownership Units.	All Phases completed. New construction of 19 market rate homeownership units on a portion of the site.	Possible disposition in connection with mixed- finance development and/or other sale transactions to City and private developers.			109 Homeownership Units. HOPE VI HO Middle income Program essential elements of Nehemiah, USHA of 1937.
Mill Creek Extension East	100 Rental Units	Possible scattered sites acquisition. Acquisition, new development and rehabilitation of housing stock along with neighborhood revitalization efforts. May be developed by PHA or alternative financing services by a CDC, non-profit, or for-profit organization. May use ACCs and/or Capital Funds to develop units.	Possible demolition in connection with modernization and revitalization.			Possible homeownership component, subject to Section 32 of the USHA of 1937 will include lease purchase, conventional sale and Housing Choice vouchers.
Mill Creek Extension West	100 Rental Units	Possible scattered sites acquisition. Acquisition, new development and rehabilitation of housing stock along with neighborhood revitalization efforts. May be developed by PHA or alternative financing services by a CDC, non-profit, or for-profit organization. May use ACCs and/or Capital Funds to develop units.	Possible demolition in connection with modernization and revitalization.			Possible homeownership component, subject to Section 32 of the USHA of 1937 will include lease purchase, conventional sale and Housing Choice vouchers.

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Morton Homes PA002049	65 Units	Possible candidate for modernization, rehabilitation, revitalization, which may include some demolition with capital funds, bond proceeds, MTW, program incomes, private funds with RAD/CNI and/or LIHTC Application.	Possible demolition in connection with the modernization and revitalization, and possible disposition in connection with mixed-finance development.	47 Elderly Units	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component in connection with potential modernization and revitalization.
Mt. Olivet PA002138	161 LIHTC Rental Units	Possible major exterior envelope and air conditioner heating system to be improved.		161 Elderly Units		
Multi-Family Units for Replacement Housing Units	368 Family Units	Site-Based Waiting List. Using capital funds to acquire and develop these replacement housing units. Provide ACC subsidy.	Disposition and acquisition application may be required.	Possible Elderly Only designation.		
Nellie Reynolds Garden PA002158	64 Elderly housing units.	Development completed		64 Elderly housing designation.		
Neumann North PA002148	67 LIHTC Rental Units			67 Elderly Units Designated		
Norris I Apartments PA002014	147 Family Low-Rise.	Undergoing modernization, rehabilitation, revitalization, with capital funds, bond proceeds, MTW, program incomes, private funds. PHA awarded RAD/CNI, Choice Neighborhood funding and will seek LIHTC funds when available.	Planned demolition in connection with the revitalization activities, and planned disposition in connection with mixed-finance development.			30 homeownership component in connection with CNI modernization and revitalization.

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Oak Lane	100 Rental Units	Possible scattered sites acquisition. Acquisition, new development and rehabilitation of housing stock along with neighborhood revitalization efforts. May be developed by PHA or alternative financing services by a CDC, non-profit, or for-profit organization. May use ACCs and/or Capital Funds to develop units.	Possible demolition in connection with modernization and revitalization, and possible disposition in connection with mixed-finance development. Additional disposition applications and conveyances to RDA and/or PHA wholly-owned subsidiary and/or private owner may be required.	May be requesting Elderly or Disabled Only designation.	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component, subject to Section 32 of the USHA of 1937 will include lease purchase, conventional sale and Housing Choice vouchers.
Oxford Village PA002032	200 Family Units	Possible candidate for modernization, rehabilitation, revitalization, which may include some demolition with capital funds, bond proceeds, MTW, program incomes, private funds with RAD/CNI and/or LIHTC Application.	Possible demolition in connection with the modernization and revitalization, and possible disposition in connection with mixed-finance development.		Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component in connection with potential modernization and revitalization.
Parkview Apartments PA002054	20 Elderly Low Rises					
Paschall Homes PA002061	223 Family	Completed revitalization, which included demolition with capital funds, bond proceeds, MTW, Stimulus, program incomes, private funds and LIHTC equity to develop 100 new units.	Completed demolition in connection with the modernization and revitalization, and possible acquisition/disposition in connection with mixed-finance development.			
Passyunk Homes PA002052	All units demolished.	Private entity to develop market rate housing and a new 80,000 square foot building for PHA.	Disposition of property to private developer completed.			
Philadelphia School District Portfolio	TBD	Redevelopment of vacant school sites for affordable housing and mixed income development.		May be elderly designated units.		Possible homeownership component in connection with potential modernization and revitalization.

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Plymouth Hall PA002079	69 Elderly High Rise	Rehabilitation with capital funds to develop 53 ACC units		53 Elderly Units Elderly Designation to be revised	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space. Reduce unit count from 60 to 53 with new community space.	
Poplar to Oxford: Planning and Development Initiative	45	Acquisition, new development and rehabilitation of housing stock along with neighborhood revitalization efforts. May be developed by PHA or alternative financing services by a CDC, non-profit, or for-profit organization. May use ACCs and/or Capital Funds to develop units. PHA plan to submit the LIHTC and/or other State, City funding sources for new development.	Possible demolition in connection with modernization and revitalization, and possible disposition in connection with mixed-finance development. Additional disposition applications and conveyances to RDA and/or PHA wholly-owned subsidiary and/or private owner may be required.	May be requesting Elderly or Disabled Only Designation Plan	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component, subject to Section 32 of the USHA of 1937 will include lease purchase, conventional sale and Housing Choice vouchers.
Queen Lane I Apartments PA002024	120 Family high Rise	Undertaking revitalization, which included demolition with capital funds, bond proceeds, MTW, program incomes, private funds.	Complete demolition and disposition in connection with new development and mixed finance.			
Raymond Rosen On-Site PA002010	356 Family.					

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Replacement unit Initiative		Possible acquisition of foreclosure properties, 202 properties, Private properties in combination with LIHTC and mixed finance development to develop new replacement units.	Possible demolition in connection with modernization and revitalization, and possible disposition in connection with mixed-finance development. Additional disposition applications and conveyances to RDA and/or PHA wholly-owned subsidiary and/or private owner may be required.	Possible Elderly Designation		Possible homeownership component, subject to Section 32 of the USHA of 1937 will include lease purchase, conventional sale and Housing Choice vouchers.
Richard Allen Homes Phase III PA002133	178 LIHTC Rental Units					Includes 15-year tax credit and lease purchase homeownership components.
Richard Allen Homes Phase II PA002003	150 Units	Possible new development for residential and non-residential on vacant undeveloped parcels	Possible disposition in connection with the new development.			Possible homeownership component in connection with potential modernization and revitalization.
Scattered Site Disposition: City-Wide	To be determined	Disposition Plan to be developed and implemented. Disposition of properties at market rate.	Possible demolition in connection with the modernization and revitalization. Disposition application may be required.			Possible Homeownership Component: Revised 5(h)/Section 32 of USHA of 1937.

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Scattered Sites PA002000906	412 Family Units	Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or City of Philadelphia Neighborhood Transformation Initiative, or third party mixed-finance/revitalization developments. PHA plan to apply for RAD/CNI, Choice Neighborhood, LIHTC, RACP and any other state and city funding sources when available.	Possible demolition/disposition of non-viable units for neighborhood redevelopment activity.		Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Section 32 of USHA of 1937.
Scattered Sites PA002000907	958 Family Units	Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or City of Philadelphia Neighborhood Transformation Initiative, or third party mixed-finance/revitalization developments. PHA plan to apply for RAD/CNI, Choice Neighborhood, LIHTC, RACP and any other state and city funding sources when available.	Possible demolition/disposition of non-viable units for neighborhood redevelopment activity.		Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Section 32 of USHA of 1937.

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Scattered Sites PA002000908	14 Family Units	Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or City of Philadelphia Neighborhood Transformation Initiative, or third party mixed-finance/revitalization developments. PHA plan to apply for RAD/CNI, Choice Neighborhood, LIHTC, RACP and any other state and city funding sources when available.	Possible demolition/disposition of non-viable units for neighborhood redevelopment activity.		Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Section 32 of USHA of 1937.
Scattered Sites PA002000901	1,869 Family ???	Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or City of Philadelphia Neighborhood Transformation Initiative, or third party mixed-finance/revitalization developments. PHA plan to apply for RAD/CNI, Choice Neighborhood, LIHTC, RACP and any other state and city funding sources when available.	Possible demolition in connection with the modernization and revitalization, and possible disposition in connection with mixed-finance development.		Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Section 32 of USHA of 1937. Possible homeownership component in connection with potential modernization and revitalization.

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Scattered Sites PA002000902	21 Family Units	Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or City of Philadelphia Neighborhood Transformation Initiative, or third party mixed-finance/revitalization developments. PHA plan to apply for RAD/CNI, Choice Neighborhood, LIHTC, RACP and any other state and city funding sources when available.	Possible demolition/disposition of non-viable units for neighborhood redevelopment activity.		Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Section 32 of USHA of 1937.
Scattered Sites PA002000903	988 Family Units	Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or City of Philadelphia Neighborhood Transformation Initiative, or third party mixed-finance/revitalization developments. PHA plan to apply for RAD/CNI, Choice Neighborhood, LIHTC, RACP and any other state and city funding sources when available.	Possible demolition/disposition of non-viable units for neighborhood redevelopment activity.		Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Section 32 of USHA of 1937.

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Scattered Sites PA002000904	41 Family Units	Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or City of Philadelphia Neighborhood Transformation Initiative, or third party mixed-finance/revitalization developments. PHA plan to apply for RAD/CNI, Choice Neighborhood, LIHTC, RACP and any other state and city funding sources when available.	Possible demolition/disposition of non-viable units for neighborhood redevelopment activity.		Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Section 32 of USHA of 1937.
Scattered Sites PA002000905	173 Family Units	Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or City of Philadelphia Neighborhood Transformation Initiative, or third party mixed-finance/revitalization developments. PHA plan to apply for RAD/CNI, Choice Neighborhood, LIHTC, RACP and any other state and city funding sources when available.	Possible demolition/disposition of non-viable units for neighborhood redevelopment activity.		Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Section 32 of USHA of 1937.

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Scattered Sites PA002000909	604 Family Units	Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or City of Philadelphia Neighborhood Transformation Initiative, or third party mixed-finance/revitalization developments. PHA plan to apply for RAD/CNI, Choice Neighborhood, LIHTC, RACP and any other state and city funding sources when available.	Possible demolition/disposition of non-viable units for neighborhood redevelopment activity.		Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Section 32 of USHA of 1937.
Scattered Sites PA002000910	514 Family Units	Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or City of Philadelphia Neighborhood Transformation Initiative, or third party mixed-finance/revitalization developments. PHA plan to apply for RAD/CNI, Choice Neighborhood, LIHTC, RACP and any other state and city funding sources when available.	Possible demolition/disposition of non-viable units for neighborhood redevelopment activity.		Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Section 32 of USHA of 1937.

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South Phila area planning	45	Acquisition, new development and rehabilitation of housing stock along with neighborhood revitalization efforts. May be developed by PHA or alternative financing services by a CDC, non-profit, or for-profit organization. May use ACCs and/or Capital Funds to develop units.	Possible demolition in connection with modernization and revitalization, and possible disposition in connection with mixed-finance development. Additional disposition applications and conveyances to RDA and/or PHA wholly-owned subsidiary and/or private owner may be required.	May be requesting Elderly or Disabled Only Designation Plan	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component, subject to Section 32 of the USHA of 1937 will include lease purchase, conventional sale and Housing Choice vouchers.
Southwest Phila Area planning	45	Acquisition, new development and rehabilitation of housing stock along with neighborhood revitalization efforts. May be developed by PHA or alternative financing services by a CDC, non-profit, or for-profit organization. May use ACCs and/or Capital Funds to develop units.	Possible demolition in connection with modernization and revitalization, and possible disposition in connection with mixed-finance development. Additional disposition applications and conveyances to RDA and/or PHA wholly-owned subsidiary and/or private owner may be required.	May be requesting Elderly or Disabled Only Designation Plan	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component, subject to Section 32 of the USHA of 1937 will include lease purchase, conventional sale and Housing Choice vouchers.
Spring Garden Apartments PA002020	203 Family	Possible candidate for modernization, rehabilitation, revitalization, which may include some demolition with capital funds, bond proceeds, MTW, program incomes, private funds with RAD/CNI and/or LIHTC Application.	Potential demolition and disposition applications may be submitted for a portion of site.		Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component in connection with potential modernization and revitalization.

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Spring Garden Area Unit Conversion	45	Acquisition, new development and rehabilitation of housing stock along with neighborhood revitalization efforts. May be developed by PHA or alternative financing services by a CDC, non-profit, or for-profit organization. May use ACCs and/or Capital Funds to develop units.	Possible demolition in connection with modernization and revitalization, and possible disposition in connection with mixed-finance development. Additional disposition applications and conveyances to RDA and/or PHA wholly-owned subsidiary and/or private owner may be required.	May be requesting Elderly or Disabled Only Designation Plan	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component, subject to Section 32 of the USHA of 1937 will include lease purchase, conventional sale and Housing Choice vouchers.
Spring Garden Revitalization: Phase 1 PA002127	84 LIHTC Rental Units					
Spring Garden Revitalization: Phase 2 PA002162	58 LIHTC Units 32 ACC units	Mixed-finance development by third party developer.	Disposition of scattered site properties for new development			
St Anthony's Senior Residence: PA002131	38 Elderly LIHTC Units			38 Elderly Units		
St Ignatius Phase I (Angela Court II) PA002146 PA002159	Phases I; 67 Elderly Units Phase II 64?			67 and 54 Elderly Units Designated		
Suffolk Manor PA002132	137 LIHTC Rental Units	Possible major exterior envelope and air conditioner heating system to be improved.		77 Elderly Units		
Transitional Housing Warnock PA002160	500 Rental Units Phase I 50; TBD	New construction of transitional housing units for homeless families and individuals and rehabilitation of housing stock along with neighborhood revitalization efforts. May be developed by PHA or alternative financing services by a CDC, non-profit, or for-profit organization. May use ACCs and/or Capital Funds to develop units. Development completed	Possible demolition in connection with modernization and revitalization, and possible disposition in connection with mixed-finance development. Additional disposition applications and conveyances to RDA and/or PHA wholly-owned subsidiary and/or private owner may be required.		Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	

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Warnock PA002161	Phase II Transitional housing; 45 units	Acquisition, new development for 45 housing units and rehabilitation of housing stock along with neighborhood revitalization efforts with PHA offices and Elderly Services space.		45 Elderly housing designation.		
West Park Plaza PA002093	66 Units	Possible candidate for modernization, rehabilitation with capital funds, bond proceeds, MTW, program incomes, private funds with RAD/CNI and/or LIHTC Application.			Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	
West Philadelphia North of Market Street	45	Acquisition, new development and rehabilitation of housing stock along with neighborhood revitalization efforts. May be developed by PHA or alternative financing services by a CDC, non-profit, or for-profit organization. May use ACCs and/or Capital Funds to develop units.	Possible demolition in connection with modernization and revitalization, and possible disposition in connection with mixed-finance development. Additional disposition applications and conveyances to RDA and/or PHA wholly-owned subsidiary and/or private owner may be required.	May be requesting Elderly or Disabled Only Designation Plan	Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component, subject to Section 32 of the USHA of 1937 will include lease purchase, conventional sale and Housing Choice vouchers.
Westpark Apartments PA002039	325 Family High-Rise Units	Possible candidate for modernization, rehabilitation, revitalization, which may include some demolition with capital funds, bond proceeds, MTW, program incomes, private funds with RAD/CNI and/or LIHTC Application.	Possible demolition in connection with the modernization and revitalization, and possible disposition in connection with mixed-finance development or to private developers.		Possible conversion of units/parcels for residential unit reconfiguration and commercial, economic development, management offices, community and supportive services offices and/or open space.	Possible homeownership component in connection with potential modernization and revitalization.
Whitehall Apartments I PA002034	188 Family	Modernization completed 2005				

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Whitman Park PA002051	Originally 120 Units, Total development slated for homeownership					Homeownership development; one unit remain to be sold
Wilson Park PA002013	741 Family, Low-rise; Elderly, High-rise	Possible candidate for modernization, rehabilitation with capital funds, bond proceeds, MTW, program income, private funds with RAD/CNI and/or LIHTC Application.		279 Elderly Units	Possible conversion of units/parcels for residential unit reconfiguration and commercial economic development, management offices, community and supportive services offices and/or open space.	

APPENDIX D – MTW TDC/HCC*

**PHA's most recently updated MTW TDC and HCC cost limits as of 2014, along with information on the methodology used to establish these cost limits, are included in this attachment for informational purposes. Per discussion with HUD, the 2014 MTW TDC/HCC cost limits will be reviewed and approved by HUD either as a technical amendment to the FY 2016 Plan or as part of the FY 2017 Annual Plan approval process.*

2010 TOTAL DEVELOPMENT COST (TDC) and HOUSING COST CAP (HCC) LIMITS

PHA MTW HCC / TDC as of 2009 STUDY

ENR Construction Cost Index	2009	8660.08
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HCC	Number of Bedrooms					
Type of Unit	0	1	2	3	4	5
Detached/Semi-Detached	\$ -	\$ 225,373	\$ 266,207	\$ 319,931	\$ 374,708	\$ 429,310
Row House	\$ -	\$ 203,374	\$ 239,263	\$ 287,115	\$ 334,969	\$ 382,821
Walk-up	\$ 176,055	\$ 176,055	\$ 203,708	\$ 269,878	\$ 331,729	\$ 390,368
Elevator	\$ -	\$ 213,541	\$ 249,365	\$ 331,717	\$ 411,330	\$ 486,550

TDC	Number of Bedrooms					
Type of Unit	0	1	2	3	4	5
Detached/Semri-Detached	\$ -	\$ 394,402	\$ 465,863	\$ 559,880	\$ 655,740	\$ 751,292
Row House	\$ -	\$ 355,904	\$ 418,710	\$ 502,451	\$ 586,195	\$ 669,937
Walk-up	\$ 308,197	\$ 308,097	\$ 356,490	\$ 472,286	\$ 580,525	\$ 683,144
Elevator	\$ -	\$ 341,665	\$ 398,985	\$ 530,747	\$ 658,128	\$ 778,480

2011 TOTAL DEVELOPMENT COST (TDC) and HOUSING COST CAP (HCC) LIMITS

ENR - Construction Cost Index	2009	8660.08
	2010	8952.40
	% Change	103.38%

HCC	Number of Bedrooms					
Type of Unit	0	1	2	3	4	5
Detached/Semi-Detached	\$ -	\$ 232,980	\$ 275,193	\$ 330,730	\$ 387,356	\$ 443,801
Row House	\$ -	\$ 210,239	\$ 247,339	\$ 296,807	\$ 346,276	\$ 395,743
Walk-up	\$ 181,998	\$ 181,998	\$ 210,584	\$ 278,988	\$ 342,926	\$ 403,545
Elevator	\$ -	\$ 220,749	\$ 257,782	\$ 342,914	\$ 425,214	\$ 502,973

TDC	Number of Bedrooms					
Type of Unit	0	1	2	3	4	5
Detached/Semi-Detached	\$ -	\$ 407,716	\$ 481,587	\$ 578,778	\$ 677,873	\$ 776,652
Row House	\$ -	\$ 367,918	\$ 432,844	\$ 519,411	\$ 605,983	\$ 692,550
Walk-up	\$ 318,496	\$ 318,496	\$ 368,522	\$ 488,228	\$ 600,121	\$ 706,203
Elevator	\$ -	\$ 386,311	\$ 451,119	\$ 600,100	\$ 744,125	\$ 880,204

2012 TOTAL DEVELOPMENT COST (TDC) and HOUSING COST CAP (HCC) LIMITS

ENR - Construction Cost Index	2010	8952.40
	2011	9171.73
	% Change	102.45%

HCC	Number of Bedrooms					
Type of Unit	0	1	2	3	4	5
Detached/Semi-Detached	\$ -	\$ 238,688	\$ 281,935	\$ 338,833	\$ 396,846	\$ 454,674
Row House	\$ -	\$ 215,390	\$ 253,399	\$ 304,078	\$ 354,759	\$ 405,439
Walk-up	\$ 186,457	\$ 186,457	\$ 215,743	\$ 285,823	\$ 351,328	\$ 413,432
Elevator	\$ -	\$ 226,157	\$ 264,098	\$ 351,315	\$ 435,632	\$ 515,296

TDC	Number of Bedrooms					
Type of Unit	0	1	2	3	4	5
Detached/Semi-Detached	\$ -	\$ 417,705	\$ 493,386	\$ 592,958	\$ 694,481	\$ 795,680
Row House	\$ -	\$ 376,932	\$ 443,448	\$ 532,137	\$ 620,829	\$ 709,518
Walk-up	\$ 326,299	\$ 326,299	\$ 377,551	\$ 500,190	\$ 614,824	\$ 723,505
Elevator	\$ -	\$ 395,775	\$ 462,171	\$ 614,802	\$ 762,356	\$ 901,768

2013 TOTAL DEVELOPMENT COST (TDC) and HOUSING COST CAP (HCC) LIMITS

ENR - Construction Cost Index	2011	9171.73
	2012	9412.25
	% Change	102.62%

HCC	Number of Bedrooms					
Type of Unit	0	1	2	3	4	5
Detached/Semi-Detached	\$ -	\$ 244,948	\$ 289,328	\$ 347,719	\$ 407,253	\$ 466,598
Row House	\$ -	\$ 221,038	\$ 260,044	\$ 312,052	\$ 364,063	\$ 416,071
Walk-up	\$ 191,346	\$ 191,346	\$ 221,401	\$ 293,318	\$ 360,541	\$ 424,273
Elevator	\$ -	\$ 232,088	\$ 271,024	\$ 360,528	\$ 447,056	\$ 528,809

TDC	Number of Bedrooms					
Type of Unit	0	1	2	3	4	5
Detached/Semi-Detached	\$ -	\$ 428,659	\$ 506,325	\$ 608,507	\$ 712,693	\$ 816,546
Row House	\$ -	\$ 386,817	\$ 455,077	\$ 546,092	\$ 637,110	\$ 728,124
Walk-up	\$ 334,856	\$ 334,856	\$ 387,452	\$ 513,307	\$ 630,947	\$ 742,478
Elevator	\$ -	\$ 406,154	\$ 474,291	\$ 630,924	\$ 782,348	\$ 925,416

2014 TOTAL DEVELOPMENT COST (TDC) and HOUSING COST CAP (HCC) LIMITS

ENR - Construction Cost Index	2012	9412.25
	2013	9667.77
	% Change	102.71%

HCC	Number of Bedrooms					
Type of Unit	0	1	2	3	4	5
Detached/Semi-Detached	\$ -	\$ 251,597	\$ 297,183	\$ 357,158	\$ 418,309	\$ 479,265
Row House	\$ -	\$ 227,039	\$ 267,104	\$ 320,524	\$ 373,546	\$ 427,366
Walk-up	\$ 196,541	\$ 196,541	\$ 227,412	\$ 301,281	\$ 373,329	\$ 435,791
Elevator	\$ -	\$ 238,389	\$ 278,381	\$ 370,316	\$ 455,193	\$ 543,165

TDC	Number of Bedrooms					
Type of Unit	0	1	2	3	4	5
Detached/Semi-Detached	\$ -	\$ 440,296	\$ 520,070	\$ 625,027	\$ 732,041	\$ 838,713
Row House	\$ -	\$ 397,318	\$ 467,432	\$ 560,917	\$ 654,406	\$ 747,891
Walk-up	\$ 343,946	\$ 343,946	\$ 397,970	\$ 527,242	\$ 648,076	\$ 762,635
Elevator	\$ -	\$ 417,180	\$ 487,167	\$ 648,052	\$ 803,587	\$ 950,539

APPENDIX E – REPLACEMENT HOUSING FACTOR FUNDS APPENDIX

REPLACEMENT HOUSING FACTOR FUNDS APPENDIX

In September 2013, the PHA Board of Commissioners approved an Amendment to the MTW Agreement that allows Replacement Housing Factor (RHF) funds to be included in the MTW Block Grant. HUD executed the RHF Amendment on February 26, 2014.

Pursuant to the RHF Amendment and related HUD guidance, PHA is providing the following information:

- RHF funds projected for FY 2015 are included in the Sources and Uses tables of the Plan.
- PHA intends to combine its existing and future RHF funds into the MTW Block Grant.
- PHA intends to accumulate RHF funds as allowed under the RHF Amendment, Option 3.
- PHA will secure the commitments for the required one-third leverage of its 2nd Increment RHF funds prior to developing the public or affordable housing under the proportionality requirements of the RHF Amendment, Option 3.
- PHA will develop the number of affordable and/or public housing units required in accordance with the proportionality test under the RHF Amendment, Option 3.
- RHF grants that PHA intends to combine into the MTW Block Grant are listed on the table below.

Fiscal Year	Grant Number	Obligation End Date	Expenditure End Date
2014	PA26R002501-14	10/29/2019	10/29/2021
2014	PA26R002502-14	10/29/2019	10/29/2021
2013	PA26R002501-13	10/29/2019	10/29/2021
2013	PA26R002502-13	10/29/2019	10/29/2021
2012	PA26R002501-12	10/29/2015	10/29/2017
2012	PA26R002502-12	10/29/2015	10/29/2017
2011	PA26R002501-11	10/29/2015	10/29/2017
2011	PA26R002502-11	10/29/2015	10/29/2017
2010	PA26R002501-10	10/29/2014	10/29/2016
2010	PA26R002502-10	10/29/2015	10/29/2017
2009	PA26R002501-09	10/29/2014	10/29/2016
2009	PA26R002504-09	10/29/2014	10/29/2016
2008	PA26R002501-08	10/29/2014	10/29/2016
2008	PA26R002502-08	10/29/2014	10/29/2016

APPENDIX F – ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT

Annual Statement/Performance and Evaluation Report					
Capital Fund Program (CFP) Part I: Summary					
PHA Name: PHILADELPHIA HOUSING AUTHORITY		Grant Type and Number Capital Fund Program Grant No: PA26P00250113			Federal FY of Grant: 2013
Original Annual Statement Reserve for Disasters/Emergencies Performance and Evaluation Report for Program Year Ending:		X Revised Annual Statement (Revision No: 1) Final Performance and Evaluation Report			
Line No.	Summary by Development Account	Total Estimated Cost			
		Original Budget	Revised Budget	Obligated	Expended
1	Total Non-CFP Funds				
2	1406 Operations	9,000,000.00	7,153,944.75	0.00	0.00
3	1408 Management Improvements	2,214,067.24	527,159.00	0.00	81,054.00
4	1410 Administrative Costs	4,032,685.00	3,974,562.00	2,636,945.85	3,936,328.00
5	1411 Audit	0.00	0.00	0.00	0.00
6	1415 Liquidated Damages	0.00	0.00	0.00	0.00
7	1430 Fees and Costs	1,533,000.00	1,518,295.00	117,495.04	372,316.14
8	1440 Site Acquisition	0.00	0.00	0.00	0.00
9	1450 Site Improvements	1,367,052.00	4,018,997.00	20,220.00	180,899.50
10	1460 Dwelling Structures	9,250,058.99	8,276,598.25	603,622.22	3,145,419.74
11	1465.1 Dwelling Equipment-Nonexpendable	0.00	0.00	0.00	0.00
12	1470 Non-Dwelling Space	0.00	0.00	0.00	0.00
13	1475 Non-Dwelling Equipment	562,518.01	549,320.00	52,973.64	276,952.02
14	1485 Demolition	159,870.00	159,870.00	10,000.00	11,493.61
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration	0.00	1,528,760.00	0.00	0.00
17	1495 Relocation	146,000.00	152,075.00	7,464.00	40,554.36
18	1499 Development Activities	0.00	0.00	0.00	0.00
19	1501 Collateralization or Debt Service	12,061,598.76	11,886,048.00	9,903,071.25	9,937,508.45
20	1502 Contingency				
21	Amount of Annual Grant (Sum of lines 2-20)	40,326,850.00	39,745,629.00	13,351,792.00	17,982,525.82
22	Amount of Line 21 Related to LBP Activities				
23	Amount of Line 21 Related to Section 504 Compliance	1,095,000.00	1,095,012.00	37,371.18	198,050.68
24	Amount of Line 21 Related to Security - Soft Costs				
25	Amount of Line 21 Related to Security - Hard Costs				17983066
26	Amount of Line 21 Related to Energy Conservation Measures				-540.18
	Signature of Executive Director and Date		Signature of Public Housing Director and Date		
	Kelvin A. Jeremiah, President & CEO				

Annual Statement/Performance and Evaluation Report										
Capital Fund Program (CFP)										
Part II: Supporting Pages										
PHA Name:			Grant Type and Number							
Philadelphia Housing Authority			Capital Fund Program Grant No: PA26P00250114							2014
Development Number / Name HA-Wide Activities		Line Item #	General Description of Major Work Categories	Develop Acct No.	Quantity	Total Estimated Cost				
						Original	Revised Budget	Obilgated	Expended	Comments
701701	Finance	701100	Operating Subsidy	1406		1,446,969	5,995,135		0	
			Total Operating Subsidy Cost	1406		1,446,969	5,995,135	0	0	
			Management Improvements							
709709	ISM	700176	Computer Software Acquisition,Production Support,Customization,and Program Implementation	1408		550,000	550,000		92,209	PHA wide system support, upgrades, implemetations.
			Total Management Improvement Cost	1408		550,000	550,000	0	92,209	
			Administrative Costs							
000	PHA-Wide	700183	Administrative Salaries and Benefits	1410		3,664,331	3,664,331		1,061,919	Administrative Salaries and Benefits
			Total Administrative Cost	1410		3,664,331	3,664,331	0	1,061,919	
			Fees and Costs							
800800	Development	700185	A&E, Legal and Consultant Services	1430		1,000,000	1,000,000			pre-development and design cost

Annual Statement/Performance and Evaluation Report										
Capital Fund Program (CFP)										
Part II: Supporting Pages										
PHA Name:			Grant Type and Number							
Philadelphia Housing Authority			Capital Fund Program Grant No: PA26P00250114							2014
Development Number / Name HA-Wide Activities		Line Item #	General Description of Major Work Categories	Develop Acct No.	Quantity	Total Estimated Cost				
						Original	Revised Budget	Obilgated	Expended	Comments
401401	Housing Operations	700855	Environmental Issues: LBP Testing and Asbestos Monitoring	1430	1 LS	500,000	500,000			To Address as needed LBP Testing and Asbestos Monitoring at various PHA Locations
			Total Professional Services Costs and Fees	1430		1,500,000	1,500,000	0	0	
			Site Acquisition							
			Total Site Acquisition Costs	1440		0	0	0	0	
			PHA- Wide Site Improvements							
401401	Housing Operations	700174	504 Exterior Improvements, Ramps, Exterior Glides	1450	Varies	450,000	450,000			Annual inspections will be about \$150,000 for the inspection of 500 chair lifts and \$130,000 of repairs to various sites for 504 accomodations.
			Total PHA-Wide Site Improvements			450,000	450,000	0	0	
			Total Site Improvements	1450		450,000	450,000			

Annual Statement/Performance and Evaluation Report										
Capital Fund Program (CFP)										
Part II: Supporting Pages										
PHA Name:			Grant Type and Number							
Philadelphia Housing Authority			Capital Fund Program Grant No: PA26P00250114							2014
Development Number / Name HA-Wide Activities		Line Item #	General Description of Major Work Categories	Develop Acct No.	Quantity	Total Estimated Cost				
						Original	Revised Budget	Obilgated	Expended	Comments
			<u>PHA Wide Dwelling Structures</u>							
039	West Park Apts	701165	Elevator Repairs	1460	1 LS	7,800,000	7,800,000			Replace Elevator System in all 3 High Rises at West Park Apartments
049	Morton Homes	700875	Electrical distribution systems	1460	1 LS	1,500,000	1,500,000			Remove/replace all subpanels; remove/replace main electrical distribution panel; remove/replace existing electrical EMT condute and cable from
001	Johnson Homes	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
003	Richard Allen	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
010	Raymond Rosen	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
013	Wilson Park	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
014	Norris Apts	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
015	Harrison Plaza	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
018	Arch Homes	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing

Annual Statement/Performance and Evaluation Report										
Capital Fund Program (CFP)										
Part II: Supporting Pages										
PHA Name:			Grant Type and Number							
Philadelphia Housing Authority			Capital Fund Program Grant No: PA26P00250114							2014
Development Number / Name HA-Wide Activities		Line Item #	General Description of Major Work Categories	Develop Acct No.	Quantity	Total Estimated Cost				
						Original	Revised Budget	Obilgated	Expended	Comments
020	Soring Garden Apts	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
029	Hill Creek	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
030	Abbottsford	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
031	Bartram Village	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
032	Oxford Village	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
034	Whitehall	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
039	West Park Apts	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
042	Champlost Home	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
046	Haverford Homes	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
049	Morton Homes	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing

Annual Statement/Performance and Evaluation Report										
Capital Fund Program (CFP)										
Part II: Supporting Pages										
PHA Name:			Grant Type and Number							
Philadelphia Housing Authority			Capital Fund Program Grant No: PA26P00250114							2014
Development Number / Name HA-Wide Activities		Line Item #	General Description of Major Work Categories	Develop Acct No.	Quantity	Total Estimated Cost				
						Original	Revised Budget	Obilgated	Expended	Comments
050	Blumberg	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
054	Parkview	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
055	Fairhill Apts	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
063	Katie B. Jackosn	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
066	Holmecrest	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
076	Emlen Arms	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
077	Bentley Hall	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
079	Plymouth Hall	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
114	Gladys B. Jacobs	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
901	Scattered Sitees	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing

Annual Statement/Performance and Evaluation Report										
Capital Fund Program (CFP)										
Part II: Supporting Pages										
PHA Name:			Grant Type and Number							
Philadelphia Housing Authority			Capital Fund Program Grant No: PA26P00250114							2014
Development Number / Name HA-Wide Activities		Line Item #	General Description of Major Work Categories	Develop Acct No.	Quantity	Total Estimated Cost				
						Original	Revised Budget	Obilgated	Expended	Comments
902	Scattered Sitees	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
903	Scattered Sitees	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
904	Scattered Sitees	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
905	Scattered Sitees	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
906	Scattered Sitees	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
907	Scattered Sitees	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
908	Scattered Sitees	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
909	Scattered Sitees	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
910	Scattered Sitees	701098	504 Unit Modification/Fair Housing	1460	Varies	25,000	25,000			504 Unit Modification/Fair Housing
			Total PHA-Wide Dwelling Unit Improvements			10,200,000	10,200,000	0	0	

Annual Statement/Performance and Evaluation Report										
Capital Fund Program (CFP)										
Part II: Supporting Pages										
PHA Name:			Grant Type and Number							
Philadelphia Housing Authority			Capital Fund Program Grant No: PA26P00250114							2014
Development Number / Name HA-Wide Activities		Line Item #	General Description of Major Work Categories	Develop Acct No.	Quantity	Total Estimated Cost				
						Original	Revised Budget	Obilgated	Expended	Comments
			<u>Scattered Sites Dwelling Unit Renovation</u>							
901	Haddington	700460	Comprehensive Scattered Sites Unit Rehab	1460	Varies	600,000	600,000	0	0	Major Interior structural work on various scattered sites units including walls, floor joists, mechanical repairs, kitchens and bathrooms
902	Mantua	700460	Comprehensive Scattered Sites Unit Rehab	1460	Varies	600,000	600,000			Major Interior structural work on various scattered sites units including walls, floor joists, mechanical repairs, kitchens and bathrooms
903	Kingsessing	700460	Comprehensive Scattered Sites Unit Rehab	1460	Varies	600,000	600,000			Major Interior structural work on various scattered sites units including walls, floor joists, mechanical repairs, kitchens and bathrooms
904	Germantown/Hunting Park	700460	Comprehensive Scattered Sites Unit Rehab	1460	Varies	600,000	600,000			Major Interior structural work on various scattered sites units including walls, floor joists, mechanical repairs, kitchens and bathrooms

Annual Statement/Performance and Evaluation Report										
Capital Fund Program (CFP)										
Part II: Supporting Pages										
PHA Name:			Grant Type and Number							
Philadelphia Housing Authority			Capital Fund Program Grant No: PA26P00250114							2014
Development Number / Name HA-Wide Activities		Line Item #	General Description of Major Work Categories	Develop Acct No.	Quantity	Total Estimated Cost				
						Original	Revised Budget	Obilgated	Expended	Comments
905	Fairhill Square	700460	Comprehensive Scattered Sites Unit Rehab	1460	Varies	600,000	600,000			Major Interior structural work on various scattered sites units including walls, floor joists, mechanical repairs, kitchens and bathrooms
906	Francisville	700460	Comprehensive Scattered Sites Unit Rehab	1460	Varies	600,000	600,000			Major Interior structural work on various scattered sites units including walls, floor joists, mechanical repairs, kitchens and bathrooms
907	Ludlow	700460	Comprehensive Scattered Sites Unit Rehab	1460	Varies	600,000	600,000			Major Interior structural work on various scattered sites units including walls, floor joists, mechanical repairs, kitchens and bathrooms
908	Susquehanna	700460	Comprehensive Scattered Sites Unit Rehab	1460	Varies	600,000	600,000			Major Interior structural work on various scattered sites units including walls, floor joists, mechanical repairs, kitchens and bathrooms
909	Strawberry Mansion	700460	Comprehensive Scattered Sites Unit Rehab	1460	Varies	600,000	600,000			Major Interior structural work on various scattered sites units including walls, floor joists, mechanical repairs, kitchens and bathrooms

Annual Statement/Performance and Evaluation Report										
Capital Fund Program (CFP)										
Part II: Supporting Pages										
PHA Name:			Grant Type and Number							
Philadelphia Housing Authority			Capital Fund Program Grant No: PA26P00250114							2014
Development Number / Name HA-Wide Activities		Line Item #	General Description of Major Work Categories	Develop Acct No.	Quantity	Total Estimated Cost				
						Original	Revised Budget	Obilgated	Expended	Comments
910	Oxford Jefferson	700460	Comprehensive Scattered Sites Unit Rehab	1460	Varies	600,000	600,000			Major Interior structural work on various scattered sites units including walls, floor joists, mechanical repairs, kitchens and bathrooms
			Scattered Site Unit Renovation Total		235 units	6,000,000	6,000,000	0	0	
			Total Dwelling Structures	1460		16,200,000	16,200,000			
			<u>Non-Dwelling Structures</u>	1470						
			Total Non-Dwelling Structures	1470		0	0			
			<u>Non-Dwelling Equipment</u>							
707707	Budget	700798	Community Space F & EM	1475	1LS	25,000	25,000			As needed replacement of office equipment throughout PHA office and site locations

Annual Statement/Performance and Evaluation Report										
Capital Fund Program (CFP)										
Part II: Supporting Pages										
PHA Name:			Grant Type and Number							
Philadelphia Housing Authority			Capital Fund Program Grant No: PA26P00250114							2014
Development Number / Name HA-Wide Activities		Line Item #	General Description of Major Work Categories	Develop Acct No.	Quantity	Total Estimated Cost				
						Original	Revised Budget	Obilgated	Expended	Comments
709709	ISM	700180	Computer Infrastructure Upgrades, Computer Lab Support, PHA Office and ISM Support Services	1475	1 LS	250,000	250,000		3,311	The purchase of 200 replacement computers throughout PHA. Also includes server and network upgrades/replacements,
709709	ISM	700614	Telephone Infrastructure Upgrades	1475	1 LS	100,000	100,000			Telephone equipments including but not limited to network switches and IVR upgrades
455455	Housing Operations Specialty Crew	701203	Maintenance Equipment	1475	1 LS	75,000	75,000			repair/replace maintenance equipment including but not limited to landscaping, snow removal and small construciton equipment. To be used through
			Total Non-Dwelling Equipment	1475		450,000	450,000	0	3,311	
401401	Housing Operations	700882	Demolition	1485	1 LS	377,750	377,750			Costs to Remove Hazardous and/or Collapsed Buildings in Response to City Inspectors
			Total Demolition	1485		377,750	377,750	0	0	
401401	Housing Operations	700854	Relocation	1495	1 LS	150,000	150,000			Relocations as needed through out PHA.
			Total Relocation	1495		150,000	150,000	0	0	
			Total Development	1499		0	0	0	0	

Annual Statement/Performance and Evaluation Report										
Capital Fund Program (CFP)										
Part II: Supporting Pages										
PHA Name:			Grant Type and Number							
Philadelphia Housing Authority			Capital Fund Program Grant No: PA26P00250114							2014
Development Number / Name HA-Wide Activities		Line Item #	General Description of Major Work Categories	Develop Acct No.	Quantity	Total Estimated Cost				
						Original	Revised Budget	Obilgated	Expended	Comments
700700	Finance	701491	Bond Debt Service - Principle	1501	1 LS	9,721,849	5,173,683			bond debt principle payment for Tasker Bond
700700	Finance	701498	Bond Debt Service - Interest	1501	1 LS	2,132,411	2,132,411			bond debt interest payment for Tasker Bond
			Total Debt Service	1501		11,854,260	7,306,094	0	0	
			GRAND TOTAL			36,643,310	36,643,310	0	1,157,439	

APPENDIX G
RENTAL ASSISTANCE DEMONSTRATION (RAD) SIGNIFICANT AMENDMENT

Appendix G includes:

- RAD Significant Amendment to FY 2016 MTW Plan
- Board Resolution Approving RAD Significant Amendment
- Public Comment Period and Hearing Notice
- Certification of Consistency with the Consolidated Plan
- Civil Rights Certification

Philadelphia Housing Authority
Fiscal Year 2016 Moving to Work Annual Plan Amendment
Rental Assistance Demonstration Significant Amendment for
Southwark Plaza Apartments and
Scattered Site Transfer of Assistance Units

The Philadelphia Housing Authority (PHA) is amending its Fiscal Year 2016 Moving to Work (MTW) Annual Plan to incorporate additional information as required by the US Department of Housing and Urban Development (HUD) concerning the planned conversion of certain public housing units to project-based assistance under the Rental Assistance Demonstration (RAD) program. This Significant Amendment covers the Southwark Plaza Apartments public housing development (also known as Courtyard Apartments at Riverview) and 203 scattered site public housing units that are currently vacant and uninhabitable.

Background

In December 2013, the PHA Board of Commissioners authorized the submission of several applications to HUD under the RAD program. The Board's approval came after a series of public meetings were held to inform existing residents about the RAD program and their rights under a proposed RAD conversion.

In March 2015, HUD issued a series of RAD award letters to PHA that approved the applications for RAD conversion, subject to PHA meeting all of the conditions and requirements of the RAD program. This included award letters for Southwark Plaza Apartments and currently vacant and unoccupied scattered site public housing units. The award letters serve as HUD's Commitment to Enter into a Housing Assistance Payments Contract (CHAPs) for the subject public housing developments. Accordingly, PHA intends to proceed with RAD conversion under the guidelines of PIH Notice 2012-32, REV-2 dated June 15, 2015 ("HUD RAD Notice") and any other successor Notices issued by HUD. Any necessary resident relocation related to RAD conversions will be performed in accordance with the HUD RAD Notice, HUD Joint Housing Notice H-2014-09/PIH-2014-17 and any other successor Notices issued by HUD.

One of the conditions of the CHAP is that PHA submit a Significant Amendment to the MTW Annual Plan that incorporates required information on PHA's RAD conversion plans. This document provides the required information and serves as PHA's RAD Significant Amendment for the subject properties noted above. (Note also that PHA intends to propose further Significant Amendment(s) for additional HUD-approved RAD conversions at a future date.) PHA is providing a thirty-day public comment period and will conduct a Public Hearing to allow residents and the general public an opportunity to review and comment on the RAD Significant Amendment. Following this period, the PHA Board of Commissioners will conduct a vote on the RAD Significant Amendment at a public meeting.

RAD Conversion Plan

This Significant Amendment provides information on PHA's plans to convert public housing units to project-based assistance under RAD as follows:

1. Southwark Plaza Apartments (also known as Courtyard Apartments at Riverview) is a mixed finance development owned by Southwark Plaza Apartments Limited Partnership, which consists of 470 public housing units. These existing units will be converted under the RAD program from public housing assistance to Project Based Voucher (PBV) assistance; and,
2. A total of 203 scattered site public housing units owned by PHA that are currently vacant and uninhabitable. The public housing assistance for these scattered site units will be converted to PBV assistance at four (4) developments owned by third parties under the “transfer of assistance” provisions of the HUD RAD Notice.

Attachment 1 includes current information on each development or Asset Management Project (AMP) proposed for RAD conversion. For each development or AMP approved for RAD conversion, Attachment 1 includes the following information:

<i>Current Units:</i>	Total number of units, bedroom size distribution and unit type.
<i>Post-Conversion Units:</i>	If applicable, any changes proposed to the current number of units, the bedroom size distribution or the unit type including de minimis reductions. No unit reductions are proposed under this Significant Amendment.
<i>Transfer of Assistance:</i>	Whether PHA intends to transfer assistance to another development as part of the RAD conversion and, if so, the location, number of units, bedroom size distribution, and unit type where known. PHA intends to transfer assistance from 203 vacant and uninhabitable units located in five AMPs to four (4) new or substantial rehab developments.
<i>PBV or PBRA:</i>	Whether PHA intends to convert the development to the Project Based Voucher (PBV) program or to the Project Based Rental Assistance (PBRA) program, along with information on resident rights, resident participation, waiting list and grievance procedures applicable to each program. PHA intends to convert assistance to the PBV program.
<i>Capital Fund Impact:</i>	The current amount of Capital Fund dollars received prior to RAD conversion. Developments converted through the RAD program are not eligible for Public Housing Capital Funds.
<i>Transfer of Waiting List:</i>	How existing waiting lists will be addressed as part of the conversion.

Conversion to Project Based Vouchers or Project Based Rental Assistance

Public housing developments that are converted to project-based assistance will no longer be subject to HUD rules and regulations pertaining to the public housing program. Upon conversion to RAD, the former public housing units will be subject to the rules and regulations pertaining to either the PBV or PBRA programs, depending on which program option is selected by PHA.

HUD has modified the PBV and PBRA program rules and regulations to incorporate additional provisions that apply solely to units converted under RAD. These additional provisions provide important protections to current residents of public housing that are impacted by a RAD conversion.

PHA intends to convert the RAD units listed in Attachment 1 to the PBV program. As part of the conversion initiative, PHA will adopt all required RAD PBV rules, and will modify its existing Housing Choice Voucher Program Administrative Plan as needed to incorporate those rules related to resident rights, resident participation, waiting list, lease, waiting list, grievance processes and other areas.

Attachment 2 provides information on the RAD PBV program as required by the HUD RAD Notice and the HUD Joint Housing PIH Notice H-2014-9/PIH-2014-7 related to resident rights and participation, waiting list and grievance procedures.

Capital Fund Budget

Conversion of existing public housing developments under the RAD program will enable PHA to leverage existing funds to secure additional private and other funding. This new funding will be used to undertake long-deferred capital improvements and, in instances where transfer of assistance is involved, to construct or rehabilitate new affordable housing units.

PHA currently receives HUD Capital Funds on an annual basis, subject to Congressional appropriations for the majority of its public housing units. Attachment 1 includes the current Capital Fund allocation for each RAD conversion site. Upon conversion to RAD, PHA will no longer receive a Capital Fund allocation for units that have been converted and the annual Capital Fund grant will be decreased.

The total estimated reduction in PHA Capital Funds on an annual basis for the subject units covered under this Significant Amendment is \$941,291, based on FY2015 funding levels. Over a five year period, the estimated Capital Fund reduction is \$4,706,455, based on FY2015 funding levels. The actual amount of reduction may vary depending on Congressional appropriations. As RAD conversions are completed, PHA will modify its existing capital plans to reflect the reduction in funding and change in work scopes.

The RAD conversion will not impact PHA's existing Capital Fund Financing Program (CFFP) obligations. PHA will not utilize Replacement Housing Funds (RHF) to support the RAD conversions for the subject units described in this Significant Amendment.

Site and Neighborhood Standards for Transfer of Assistance Conversions

PHA has analyzed the replacement sites for those RAD conversions covered under this Significant Amendment that involve transfer of assistance. All proposed sites comply with the HUD Site and Neighborhood Standards as defined in 24 CFR 983 and the current MTW Site and Neighborhood Standards as defined in PHA's MTW Agreement.

Relocation Plan

All of the scattered site units proposed for RAD conversion under this Significant Amendment are currently vacant; therefore, no relocation will be required. At Southwark Plaza Apartments, any necessary relocation will conform to the applicable requirements of the HUD RAD Notice and the Joint Housing/PIH Notice H-2014-09/PIH 2014-07.

Compliance

PHA is not presently subject to a voluntary compliance agreement, consent order, consent decree, final judicial ruling or administrative ruling that has any relation to or impact on the planned RAD conversion.

Moving To Work

PHA may utilize MTW Block Grant fungibility and programmatic flexibility to support the RAD conversion effort subject to any necessary Board and HUD approvals. PHA certifies that regardless of any funding changes that may occur as a result of conversion under RAD, PHA will continue to administer and maintain service levels for its remaining portfolio of public housing units. PHA will do this by utilizing available funding including Public Housing Operating Fund, Capital Fund, and Tenant Rental Income.

Significant Amendment Definition

As part of the RAD conversion initiative, a Significant Amendment to the MTW Plan will not be required for the following RAD-specific actions, provided that the adjustments to the RAD plans are authorized by the Board of Commissioners in the normal course of business:

- Changes to the Capital Fund budget produced as a result of each approved RAD conversion regardless of whether the proposed conversion will include use of additional Capital Funds;
- Decisions to apply MTW funding or programmatic flexibility to post-conversion RAD developments;
- Decisions or changes related to the ownership and/or financing structures for each approved RAD conversion including decisions to allocate PHA financial resources as a source of funds to support the RAD conversion initiatives;
- Changes to the construction and rehabilitation plans and scheduled for each approved RAD conversion;
- Changes to the project names or sponsor entity names;
- Changes in the bedroom size distribution or the number of de minimis unit reductions up to the 5% permitted under RAD program rules; and,
- Decisions to convert to either Project Based Vouchers or Project Based Rental Assistance.

Philadelphia Housing Authority
Fiscal Year 2016 Moving to Work Annual Plan Amendment
Rental Assistance Demonstration Significant Amendment
Attachment 1 – Information on Public Housing Developments to be Converted

The following pages provide required information on each development and/or Asset Management Project (AMP) to be converted from public housing assistance to Project Based Voucher (PBV) assistance under the Rental Assistance Demonstration (RAD) program.

RAD Significant Amendment Attachment 1

Pre-Conversion Development Name	Southwark Plaza
PIC Development ID #	PA002000121
Conversion Type (PBV or PBRA)	PBV
Capital Fund Grant (FY15)	382,050

Pre-Conversion Total Units	470
Pre-Conversion Unit Type	Family
Pre-Conversion Bedroom Size	

	# of Units
0 BR	0
1 BR	120
2 BR	163
3 BR	161
4 BR	26
5 BR	0
6 BR	0

Post-Conversion Total Units	470
Post-Conversion Unit Type	Family
Post-Conversion Bedroom Size	

	# of Units
0 BR	0
1 BR	120
2 BR	163
3 BR	161
4 BR	26
5 BR	0
6 BR	0

Transfer of Assistance	No
De Minimis Reduction	N/A

Transfer of Waiting List	<p>Following conversion to PBV under RAD, applicants on the existing Southwark Plaza site-based waiting list will be transferred to a PBV site-based waiting list. No changes are planned to waiting list preferences, and applicants will maintain their original date and time of application. The owner will manage and maintain the site-based waiting list in accordance with PHA's Housing Choice Voucher program Administrative Plan. PHA will post information on how to apply for the PBV site-based waiting list on the PHA website.</p>
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RAD Significant Amendment Attachment 1

Pre-Conversion Development Name	Haddington Scattered Sites
PIC Development ID #	PA002000901
Conversion Type (PBV or PBRA)	PBV
Capital Fund Grant (FY15)	10,014
Pre-Conversion Total Units	40
Pre-Conversion Unit Type	Family
Pre-Conversion Bedroom Size	
	# of Units
0 BR	0
1 BR	0
2 BR	1
3 BR	30
4 BR	7
5 BR	1
6 BR	1
Post-Conversion Total Units	40
Post-Conversion Unit Type	Seniors
Post-Conversion Development Name/Address	NewCourtland at Allegheny II, 1900 West Allegheny Avenue, Philadelphia
Post-Conversion Sponsor	NewCourtland Elder Services
Post-Conversion Bedroom Size	
	# of Units
0 BR	0
1 BR	40
2 BR	0
3 BR	0
4 BR	0
5 BR	0
6 BR	0
Transfer of Assistance	Yes
De Minimis Reduction	N/A
Transfer of Waiting List	A new site-based waiting list will be established for the development prior to initial lease up. The owner will manage and maintain the site-based waiting list, including any PHA-approved selection preferences, in accordance with PHA's Housing Choice Voucher program Administrative Plan. PHA will post information on how to apply for the PBV site-based waiting list on the PHA website.

RAD Significant Amendment Attachment 1

Pre-Conversion Development Name	Oxford Jefferson Scattered Sites
PIC Development ID #	PA002000910
Conversion Type (PBV or PBRA)	PBV
Capital Fund Grant (FY15)	219,944

Pre-Conversion Total Units	88
Pre-Conversion Unit Type	Family
Pre-Conversion Bedroom Size	

of Units

0 BR	0
1 BR	4
2 BR	24
3 BR	60
4 BR	0
5 BR	0
6 BR	0

Post-Conversion Total Units	88
Post-Conversion Unit Type	Homeless Individuals
Post-Conversion Development Name/Address	2415 North Broad Street, 2413-29 North Broad Street, Philadelphia
Post-Conversion Sponsor	Project Home
Post-Conversion Bedroom Size	

of Units

0 BR	88
1 BR	0
2 BR	0
3 BR	0
4 BR	0
5 BR	0
6 BR	0

Transfer of Assistance	Yes
De Minimis Reduction	N/A

Transfer of Waiting List	A new site-based waiting list will be established for the development prior to initial lease up. The owner will manage and maintain the site-based waiting list, including any PHA-approved selection preferences, in accordance with PHA's Housing Choice Voucher program Administrative Plan. PHA will post information on how to apply for the PBV site-based waiting list on the PHA website.
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RAD Significant Amendment Attachment 1

Pre-Conversion Development Name	Germantown Scattered Sites
PIC Development ID #	PA002000904
Conversion Type (PBV or PBRA)	PBV
Capital Fund Grant (FY15)	95,584
Pre-Conversion Total Units	38
Pre-Conversion Unit Type	Family
Pre-Conversion Bedroom Size	
	# of Units
0 BR	0
1 BR	0
2 BR	7
3 BR	31
4 BR	0
5 BR	0
6 BR	0
Post-Conversion Total Units	38
Post-Conversion Unit Type	Family
Post-Conversion Development Name/Address	Roberto Clemente Homes, 3921-3961 North 5th Street, Philadelphia
Post-Conversion Sponsor	Nueva Esperanza Inc.
Post-Conversion Bedroom Size	
	# of Units
0 BR	0
1 BR	0
2 BR	28
3 BR	10
4 BR	0
5 BR	0
6 BR	0
Transfer of Assistance	Yes
De Minimis Reduction	N/A
Transfer of Waiting List	A new site-based waiting list will be established for the development prior to initial lease up. The owner will manage and maintain the site-based waiting list, including any PHA-approved selection preferences, in accordance with PHA's Housing Choice Voucher program Administrative Plan. PHA will post information on how to apply for the PBV site-based waiting list on the PHA website.

RAD Significant Amendment Attachment 1

Pre-Conversion Development Name	Kinsessing Scattered Sites
PIC Development ID #	PA002000903
Conversion Type (PBV or PBRA)	PBV
Capital Fund Grant (FY15)	93,404
Pre-Conversion Total Units	37
Pre-Conversion Unit Type	Family
Pre-Conversion Bedroom Size	
	# of Units
0 BR	0
1 BR	1
2 BR	7
3 BR	11
4 BR	18
5 BR	0
6 BR	0
Post-Conversion Total Units	37
Post-Conversion Unit Type	Homeless Families
Post-Conversion Development Name/Address	HELP Philadelphia V, 843-57 North 12th Street, Philadelphia
Post-Conversion Sponsor	HELP Development Corp.
Post-Conversion Bedroom Size	
	# of Units
0 BR	0
1 BR	27
2 BR	10
3 BR	0
4 BR	0
5 BR	0
6 BR	0
Transfer of Assistance	Yes
De Minimis Reduction	N/A
Transfer of Waiting List	A new site-based waiting list will be established for the development prior to initial lease up. The owner will manage and maintain the site-based waiting list, including any PHA-approved selection preferences, in accordance with PHA's Housing Choice Voucher program Administrative Plan. PHA will post information on how to apply for the PBV site-based waiting list on the PHA website.

Fiscal Year 2016 Moving to Work Annual Plan Amendment
Rental Assistance Demonstration Significant Amendment
Attachment 2 – Project Based Voucher Program (PBV)

Information on resident rights and participation, waiting list and grievance procedures for Rental Assistance Demonstration (RAD) program conversions to the Project Based Voucher (PBV) program are included in this attachment:

HUD PIH Notice 2012-32, REV-2 dated June 15, 2015, Sections 1.C and 1.D

HUD Joint Housing Notice H-2014-09/PIH-2014-17 in its entirety

C. PBV Resident Rights and Participation.

- 1. No Re-screening of Tenants upon Conversion.** Pursuant to the RAD statute, at conversion, current households are not subject to rescreening, income eligibility, or income targeting. Consequently, current households will be grandfathered for conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion. For example, a unit with a household that was over-income at time of conversion would continue to be treated as an assisted unit. Thus, 24 CFR § 982.201, concerning eligibility and targeting, will not apply for current households.²⁴ Once that remaining household moves out, the unit must be leased to an eligible family. MTW agencies may not alter this requirement.
- 2. Right to Return.** See section 1.4.A.4(b) regarding a resident's right to return.
- 3. Renewal of Lease.** Since publication of the PIH Notice 2012-32 Rev 1, the regulations under 24 CFR § 983.257(b)(3) have been amended requiring Project Owners to renew all leases upon lease expiration, unless cause exists. MTW agencies may not alter this requirement.
- 4. Phase-in of Tenant Rent Increases.** If a tenant's monthly rent increases by more than the greater of 10 percent or \$25 purely as a result of conversion, the rent increase will be phased in over 3 or 5 years. To implement this provision, HUD is specifying alternative requirements for section 3(a)(1) of the Act, as well as 24 CFR § 983.3 (definition of "total tenant payment" (TTP)) to the extent necessary to allow for the phase-in of tenant rent increases. A PHA must create a policy setting the length of the phase in period at three years, five years or a combination depending on circumstances. For example, a PHA may create a policy that uses a three year phase-in for smaller increases in rent and a five year phase-in for larger increases in rent. This policy must be in place at conversion and may not be modified after conversion.

²⁴ These protections (as well as all protections in this Notice for current households) apply when in order to facilitate repairs a household is relocated following the conversion and subsequently returns to the property, even if they are considered a "new admission" upon return.

The method described below explains the set percentage-based phase-in a Project Owner must follow according to the phase-in period established. For purposes of this section “standard TTP” refers to the TTP calculated in accordance with regulations at 24 CFR §5.628 and the “most recently paid TTP” refers to the TTP recorded on line 9j of the family’s most recent HUD Form 50058. If a family in a project converting from Public Housing to PBV was paying a flat rent immediately prior to conversion, the PHA should use the flat rent amount to calculate the phase-in amount for Year 1, as illustrated below.

Three Year Phase-in:

- Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 33% of difference between most recently paid TTP or flat rent and the standard TTP
- Year 2: Year 2 Annual Recertification (AR) and any Interim Recertification (IR) prior to Year 3 AR – 66% of difference between most recently paid TTP and the standard TTP
- Year 3: Year 3 AR and all subsequent recertifications – Full standard TTP

Five Year Phase in:

- Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 20% of difference between most recently paid TTP or flat rent and the standard TTP
- Year 2: Year 2 AR and any IR prior to Year 3 AR – 40% of difference between most recently paid TTP and the standard TTP
- Year 3: Year 3 AR and any IR prior to Year 4 AR – 60% of difference between most recently paid TTP and the standard TTP
- Year 4: Year 4 AR and any IR prior to Year 5 AR – 80% of difference between most recently paid TTP and the standard TTP
- Year 5 AR and all subsequent recertifications – Full standard TTP

Please Note: In either the three year phase-in or the five-year phase-in, once the standard TTP is equal to or less than the previous TTP, the phase-in ends and tenants will pay full TTP from that point forward. MTW agencies may not alter this requirement.

- 5. Family Self Sufficiency (FSS) and Resident Opportunities and Self Sufficiency Service Coordinator (ROSS-SC) programs.** Public Housing residents that are current FSS participants will continue to be eligible for FSS once their housing is converted under RAD, and PHAs will be allowed to use any remaining PH FSS funds, to serve those FSS participants who live in units converted by RAD. Due to the

program merger between PH FSS and HCV FSS that took place pursuant to the FY14 Appropriations Act (and was continued in the FY15 Appropriations Act), no special provisions are required to continue serving FSS participants that live in public housing units converting to PBV under RAD.

However, PHAs should note that there are certain FSS requirements (e.g. escrow calculation and escrow forfeitures) that apply differently depending on whether the FSS participant is a participant under the HCV program or a public housing resident, and PHAs must follow such requirements accordingly. All PHAs will be required to administer the FSS program in accordance with FSS regulations at 24 CFR Part 984, the participants' contracts of participation, and the alternative requirements established in the "Waivers and Alternative Requirements for the FSS Program" Federal Register notice, published on December 29, 2014, at 79 FR 78100.²⁵ Further, upon conversion to PBV, already escrowed funds for FSS participants shall be transferred into the HCV escrow account and be considered TBRA funds, thus reverting to the HAP account if forfeited by the FSS participant.

Current ROSS-SC grantees will be able to finish out their current ROSS-SC grants once their housing is converted under RAD. However, once the property is converted, it will no longer be eligible to be counted towards the unit count for future ROSS-SC grants, nor will its residents be eligible to be served by future ROSS-SC grants, which, by statute, can only serve public housing residents.

- 6. Resident Participation and Funding.** In accordance with Attachment 1B, residents of Covered Projects with converted PBV assistance will have the right to establish and operate a resident organization for the purpose of addressing issues related to their living environment and be eligible for resident participation funding.
- 7. Resident Procedural Rights.** The following items must be incorporated into both the Section 8 Administrative Plan and the Project Owner's lease, which includes the required tenancy addendum, as appropriate. Evidence of such incorporation may be requested by HUD for purposes of monitoring the program.

²⁵ The funding streams for the PH FSS Program and the HCV FSS Program were first merged pursuant to the FY 2014 appropriations act. As a result, PHAs can serve both PH residents and HCV participants, including PBV participants, with FSS funding awarded under the FY 2014 FSS Notice of Funding Availability (FSS NOFA) and any other NOFA under which the combination of funds remains in the applicable appropriations act. For PHAs that had managed both programs separately and now have a merged program, a conversion to PBV should not impact their FSS participants.

- i. **Termination Notification.** HUD is incorporating additional termination notification requirements to comply with section 6 of the Act for public housing projects that convert assistance under RAD. In addition to the regulations at 24 CFR § 983.257 related to Project Owner termination of tenancy and eviction (which MTW agencies may not alter) the termination procedure for RAD conversions to PBV will require that PHAs provide adequate written notice of termination of the lease which shall not be less than:
 - a. A reasonable period of time, but not to exceed 30 days:
 - i. If the health or safety of other tenants, PHA employees, or persons residing in the immediate vicinity of the premises is threatened; or
 - ii. In the event of any drug-related or violent criminal activity or any felony conviction;
 - b. 14 days in the case of nonpayment of rent; and
 - c. 30 days in any other case, except that if a State or local law provides for a shorter period of time, such shorter period shall apply.
- ii. **Grievance Process.** Pursuant to requirements in the RAD Statute, HUD is establishing additional procedural rights to comply with section 6 of the Act.

For issues related to tenancy and termination of assistance, PBV program rules require the Project Owner to provide an opportunity for an informal hearing, as outlined in 24 CFR § 982.555. RAD will specify alternative requirements for 24 CFR § 982.555(b) in part, which outlines when informal hearings are not required, to require that:

- a. In addition to reasons that require an opportunity for an informal hearing given in 24 CFR § 982.555(a)(1)(i)-(vi),²⁶ an opportunity for an informal hearing must be given to residents for any dispute that a resident may have with respect to a Project Owner action in accordance with the individual's lease or the contract administrator in accordance with RAD PBV requirements that adversely affect the resident's rights, obligations, welfare, or status.
 - i. For any hearing required under 24 CFR § 982.555(a)(1)(i)-(vi), the contract administrator will perform the hearing, as is the current standard in the program. The hearing officer must be selected in accordance with 24 CFR § 982.555(e)(4)(i).
 - ii. For any additional hearings required under RAD, the Project Owner will perform the hearing.

²⁶ § 982.555(a)(1)(iv) is not relevant to RAD as the tenant-based certificate has been repealed.

- b. There is no right to an informal hearing for class grievances or to disputes between residents not involving the Project Owner or contract administrator.
- c. The Project Owner gives residents notice of their ability to request an informal hearing as outlined in 24 CFR § 982.555(c)(1) for informal hearings that will address circumstances that fall outside of the scope of 24 CFR § 982.555(a)(1)(i)-(vi).
- d. The Project Owner provides opportunity for an informal hearing before an eviction.

Current PBV program rules require that hearing procedures must be outlined in the PHA's Section 8 Administrative Plan.

- 8. Earned Income Disregard (EID).** Tenants who are employed and are currently receiving the EID exclusion at the time of conversion will continue to receive the EID after conversion, in accordance with regulations at 24 CFR § 5.617. Upon the expiration of the EID for such families, the rent adjustment shall not be subject to rent phase-in, as described in Section 1.6.C.4; instead, the rent will automatically rise to the appropriate rent level based upon tenant income at that time.

Under the Housing Choice Voucher program, the EID exclusion is limited only to persons with disabilities (24 CFR § 5.617(b)). In order to allow all tenants (including non-disabled persons) who are employed and currently receiving the EID at the time of conversion to continue to benefit from this exclusion in the PBV project, the provision in section 5.617(b) limiting EID to disabled persons is waived. The waiver, and resulting alternative requirement, apply only to tenants receiving the EID at the time of conversion. No other tenant (e.g., tenants who at one time received the EID but are not receiving the EID exclusion at the time of conversion e.g., due to loss of employment; tenants that move into the property following conversion, etc.) is covered by this waiver.

- 9. Jobs Plus.** Jobs Plus grantees awarded FY14 and future funds that convert the Jobs Plus target projects(s) under RAD will be able to finish out their Jobs Plus period of performance at that site unless significant re-location and/or change in building occupancy is planned. If either is planned at the Jobs Plus target project(s), HUD may allow for a modification of the Jobs Plus work plan or may, at the Secretary's discretion, choose to end the Jobs Plus program at that project.

- 10. When Total Tenant Payment Exceeds Gross Rent.** Under normal PBV rules, the PHA may only select an occupied unit to be included under the PBV HAP contract if

the unit's occupants are eligible for housing assistance payments (24 CFR §983.53(d)). Also, a PHA must remove a unit from the contract when no assistance has been paid for 180 days because the family's TTP has risen to a level that is equal to or greater than the contract rent, plus any utility allowance, for the unit (i.e., the Gross Rent)) (24 CFR §983.258). Since the rent limitation under this Section of the Notice may often result in a family's TTP equaling or exceeding the gross rent for the unit, for current residents (i.e. residents living in the public housing property prior to conversion), HUD is waiving both of these provisions and requiring that the unit for such families be placed on and/or remain under the HAP contract when TTP equals or exceeds than the Gross Rent. Further, HUD is establishing the alternative requirement that the rent to owner for the unit equal the family's TTP until such time that the family is eligible for a housing assistance payment. HUD is waiving as necessary to implement this alternative provision, the provisions of Section 8(o)(13)(H) of the Act and the implementing regulations at 24 CFR 983.301 as modified by Section 1.6.B.5 of this Notice.²⁷ In such cases, the resident is considered a participant under the program and all of the family obligations and protections under RAD and PBV apply to the resident. Likewise, all requirements with respect to the unit, such as compliance with the HQS requirements, apply as long as the unit is under HAP contract. Assistance may subsequently be reinstated if the tenant becomes eligible for assistance. The PHA is required to process these individuals through the Form- 50058 submodule in PIC.

Following conversion, 24 CFR §983.53(d) applies, and any new families referred to the RAD PBV project must be initially eligible for a HAP payment at admission to the program, which means their TTP may not exceed the gross rent for the unit at that time. Further, a PHA must remove a unit from the contract when no assistance has been paid for 180 days. If units are removed from the HAP contract because a new admission's TTP comes to equal or exceed the gross rent for the unit and if the project is fully assisted, HUD is imposing an alternative requirement that the PHA must reinstate the unit after the family has vacated the property; and, if the project is partially assisted, the PHA may substitute a different unit for the unit on the HAP contract in accordance with 24 CFR §983.207 or, where "floating" units have been permitted, Section 1.6.B.10 of this Notice.

²⁷ For example, a public housing family residing in a property converting under RAD has a TTP of \$600. The property has an initial Contract Rent of \$500, with a \$50 Utility Allowance. Following conversion, the residents is still responsible for paying \$600 in tenant rent and utilities.

11. Under-Occupied Unit. If a family is in an under-occupied unit under 24 CFR 983.259 at the time of conversion, the family may remain in this unit until an appropriate-sized unit becomes available in the Covered Project. When an appropriate sized unit becomes available in the Covered Project, the family living in the under-occupied unit must move to the appropriate-sized unit within a reasonable period of time, as determined by the administering Voucher Agency. In order to allow the family to remain in the under-occupied unit until an appropriate-sized unit becomes available in the Covered Project, 24 CFR 983.259 is waived. MTW agencies may not modify this requirement.

D. PBV: Other Miscellaneous Provisions

- 1. Access to Records, Including Requests for Information Related to Evaluation of Demonstration.** PHAs must agree to any reasonable HUD request for data to support program evaluation, including but not limited to project financial statements, operating data, Choice-Mobility utilization, and rehabilitation work. Please see Appendix IV for reporting units in Form HUD-50058.
- 2. Additional Monitoring Requirement.** The PHA's Board must approve the operating budget for the Covered Project annually in accordance with HUD requirements.²⁸
- 3. Davis-Bacon Act and Section 3 of the Housing and Urban Development Act of 1968 (Section 3).** This section has been moved to 1.4.A.13 and 1.4.A.14.
- 4. Establishment of Waiting List.** 24 CFR § 983.251 sets out PBV program requirements related to establishing and maintaining a voucher-wide, PBV program-wide, or site-based waiting list from which residents for the Covered Project will be admitted. These provisions will apply unless the project is covered by a remedial order or agreement that specifies the type of waiting list and other waiting list policies. The PHA shall consider the best means to transition applicants from the current public housing waiting list, including:
 - i.** Transferring an existing site-based waiting list to a new site-based waiting list. If the PHA is transferring the assistance to another neighborhood, the PHA must notify applicants on the wait-list of the transfer of assistance, and on how they can apply for residency at the new project site or other sites. Applicants on a project-specific waiting list for a project where the assistance is being

²⁸ For PBV conversions that are not FHA-insured, a future HUD notice will describe project financial data that may be required to be submitted by a PBV owner for purposes of the evaluation, given that PBV projects do not submit annual financial statements to HUD/REAC.

transferred shall have priority on the newly formed waiting list for the new project site in accordance with the date and time of their application to the original project's waiting list.

- ii. Informing applicants on the site-based waiting list on how to apply for a PBV program-wide or HCV program-wide waiting list.
- iii. Informing applicants on a public housing community-wide waiting list on how to apply for a voucher-wide, PBV program-wide, or site-based waiting list. If using a site-based waiting list, PHAs shall establish a waiting list in accordance with 24 CFR § 903.7(b)(2)(ii)-(iv) to ensure that applicants on the PHA's public housing community-wide waiting list have been offered placement on the converted project's initial waiting list. In all cases, PHAs have the discretion to determine the most appropriate means of informing applicants on the public housing community-wide waiting list given the number of applicants, PHA resources, and admissions requirements of the projects being converted under RAD. A PHA may consider contacting every applicant on the public housing waiting list via direct mailing; advertising the availability of housing to the population that is less likely to apply, both minority and non-minority groups, through various forms of media (e.g., radio stations, posters, newspapers) within the marketing area; informing local non-profit entities and advocacy groups (e.g., disability rights groups); and conducting other outreach as appropriate. Applicants on the agency's public housing community-wide waiting list who wish to be placed onto the newly-established site-based waiting list must be done so in accordance with the date and time of their original application to the centralized public housing waiting list. Any activities to contact applicants on the public housing waiting list must be conducted in accordance with the requirements for effective communication with persons with disabilities at 24 CFR § 8.6 and with the obligation to provide meaningful access for persons with limited English proficiency (LEP).²⁹

A PHA must maintain any site-based waiting list in accordance with all applicable civil rights and fair housing laws and regulations unless the project is covered by a remedial order or agreement that specifies the type of waiting list and other waiting list policies.

To implement this provision, HUD is specifying alternative requirements for 24 CFR § 983.251(c)(2). However, after the initial waiting list has been established, the PHA

²⁹ For more information on serving persons with LEP, please see HUD's Final guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (72 FR 2732), published on January 22, 2007.

shall administer its waiting list for the converted project in accordance with 24 CFR § 983.251(c).

- 5. Mandatory Insurance Coverage.** The Covered Project shall maintain at all times commercially available property and liability insurance to protect the project from financial loss and, to the extent insurance proceeds permit, promptly restore, reconstruct, and/or repair any damaged or destroyed project property.
- 6. Agreement Waiver.** This section has been moved to 1.6.(B)(7).
- 7. Future Refinancing.** Project Owners must receive HUD approval for any refinancing or restructuring of permanent debt during the HAP contract term, to ensure the financing is consistent with long-term preservation. (Current lenders and investors are also likely to require review and approval of refinancing of the primary permanent debt.)
- 8. Administrative Fees for Public Housing Conversions during Transition Period.** For the remainder of the Calendar Year in which the HAP Contract is effective (i.e. “transition period”), RAD PBV projects will be funded with public housing funds. For example, if the project’s assistance converts effective July 1, 2015, the public housing Annual Contributions Contract (ACC) between the PHA and HUD will be amended to reflect the number of units under HAP contract, but will be for zero dollars, and the RAD PBV contract will be funded with public housing money for July through December 2015. Since TBRA is not the source of funds, PHAs should not report leasing and expenses into VMS during this period, and PHAs will not receive section 8 administrative fee funding for converted units during this time. .

For fiscal years 2014 and 2015, PHAs operating HCV program received administrative fees for units under a HAP contract, consistent with recent appropriation act references to "section 8(q) of the [United States Housing Act of 1937] and related appropriations act provisions in effect immediately before the Quality Housing and Responsibility Act of 1998" and 24 CFR § 982.152(b). During the transition period mentioned in the preceding paragraph, these provisions are waived, and PHAs will not receive section 8 ongoing administrative fees for PBV RAD units.

After this transition period, the section 8 ACC will be amended to include section 8 funding that corresponds to the units covered by the section 8 ACC. At that time, the regular section 8 administrative fee funding provisions will apply.

- 9. Choice-Mobility.** One of the key features of the PBV program is the mobility component, which provides that if the family has elected to terminate the assisted lease at any time after the first year of occupancy in accordance with program requirements, the PHA must offer the family the opportunity for continued tenant-based rental assistance, in the form of either assistance under the voucher program or other comparable tenant-based rental assistance.

If as a result of participation in RAD a significant percentage of the PHA's HCV program becomes PBV assistance, it is possible for most or all of a PHA's turnover vouchers to be used to assist those RAD PBV families who wish to exercise mobility. While HUD is committed to ensuring mobility remains a cornerstone of RAD policy, HUD recognizes that it remains important for the PHA to still be able to use tenant-based vouchers to address the specific housing needs and priorities of the community. Therefore, HUD is establishing an alternative requirement for PHAs where, as a result of RAD, the total number of PBV units (including RAD PBV units) under HAP contract administered by the PHA exceeds 20 percent of the PHA's authorized units under its HCV ACC with HUD.

The alternative mobility policy provides that an eligible voucher agency would not be required to provide more than three-quarters of its turnover vouchers in any single year to the residents of Covered Projects. While a voucher agency is not required to establish a voucher inventory turnover cap, if such a cap is implemented, the voucher agency must create and maintain a waiting list in the order in which the requests from eligible households were received. In order to adopt this provision, this alternative mobility policy must be included in an eligible PHA's administrative plan.

To effectuate this provision, HUD is providing an alternative requirement to Section 8(o)(13)(E) and 24 CFR part 983.261(c). Please note that this alternative requirement does not apply to PBVs entered into outside of the context of RAD. MTW agencies may not alter this requirement.

- 10. Reserve for Replacement.** The Project Owner shall establish and maintain a replacement reserve in an interest-bearing account to aid in funding extraordinary maintenance and repair and replacement of capital items in accordance with applicable regulations. The reserve must be built up to and maintained at a level determined by HUD to be sufficient to meet projected requirements. For FHA transactions, Replacement Reserves shall be maintained in accordance with the FHA Regulatory Agreement. For all other transactions, Replacement Reserves shall be maintained in a bank account covered under a General Depository Agreement (HUD-51999) or similar instrument, as approved by HUD, where funds will be held by the

Project Owner or mortgagee and may be drawn from the reserve account and used subject to HUD guidelines and as directed by HUD.



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

ASSISTANT SECRETARY FOR HOUSING-
FEDERAL HOUSING COMMISSIONER

Special Attention of:

Public Housing Agencies
Public Housing Hub Office Directors
Public Housing Program Center Directors
Regional Directors
Field Office Directors
RAD Transaction Managers

Notice H 2014-09

PIH 2014-17

Issued: July 14, 2014

This notice remains in effect until amended,
superseded, or rescinded.

Cross Reference: PIH Notice 2012-32 (HA)
REV 1

Subject: Relocation Requirements under the Rental Assistance Demonstration (RAD) Program, Public Housing in the First Component

1. Purpose

This Notice provides public housing agencies (PHAs)¹ and their partners with information and resources on applicable program and relocation assistance requirements when planning for or implementing resident moves as a result of a **Rental Assistance Demonstration (RAD)** conversion² under the first component of the demonstration.³ This Notice provides guidance on RAD relocation requirements and requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (URA), as they relate to the public housing conversion process under the first component.⁴

¹ This Notice always uses the term “PHA” to refer to the owner of the project prior to and after the RAD conversion, even though, in some cases, the owner of the converted RAD project may be another public entity, a non-profit organization, or other owner (e.g., low-income housing tax credit owner). In addition, this Notice uses “PHA” to refer to the “displacing agency,” a URA term that means the agency or person that carries out a program or project, which will cause a resident to become a displaced person. Projects vary and, for any specific task described in this Notice, may require substituting in a reference to a party that is more appropriate for a specific project.

² The content of this Notice should not be relied upon in carrying out any other activities funded under any other HUD program, except where specifically directed by HUD.

³ The “first component” of RAD allows public housing and Moderate Rehabilitation properties to convert assistance; the “second component” refers to conversion of Rent Supplement, Rental Assistance Payment, and Moderate Rehabilitation properties upon contract expiration or termination.

⁴ Relocation concerns and URA requirements apply to both components of RAD. This notice provides guidance only as to the first component.

Relocation assistance provided pursuant to public housing and RAD requirements is broader than URA relocation assistance requirements. Not all specific situations requiring relocation under RAD may trigger URA assistance requirements. In addition, whereas all qualifying residents⁵ of a converting public housing project are eligible for relocation assistance under RAD, some residents or household members may not meet the statutory and regulatory requirements for eligibility under URA. This Notice supersedes PIH Notice 2012-32 (HA), REV-1, with respect to relocation matters. This Notice also specifically addresses when relocation may begin (see Section 9 below). As necessary, the Department will issue additional guidance on relocation issues and requirements as they relate to RAD.

2. Background

RAD allows public housing properties to convert assistance to long-term project-based Section 8 contracts. In many cases, a RAD project may require relocation of residents when properties undergo repairs, are demolished and rebuilt, or when the assistance is transferred to another site. PIH Notice 2012-32 REV-1 (see also FR Notice 5630-N-05, 78 FR 39759-39763 (July 2, 2013)) details RAD program requirements.

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (URA) is a federal law that establishes minimum standards for federally-funded programs and projects that include the acquisition of real property (real estate) and/or displace persons from their homes, businesses, or farms as a result of acquisition, rehabilitation, or demolition of real property.⁶ The URA will apply to acquisitions of real property and relocation of persons from real property that occurs as a direct result of acquisition, rehabilitation, or demolition for a project that involves conversion of assistance to Project-Based Voucher (PBV) or Project-Based Rental Assistance (PBRA) programs under RAD.

Additionally, all relocation conducted as part of a RAD conversion and all relocation assistance provided under URA must be consistent with applicable fair housing and civil rights laws, including, but not limited to, the Fair Housing Act, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973.

Because each RAD proposal varies in its scope, this Notice may not address each PHA's specific circumstances. RAD PHAs and participants should carefully review the regulations, notices, and guidance material referenced in this Notice. Any questions related to the applicability of these requirements should be referred to the RAD Transaction Managers (TM) or may be emailed to rad@hud.gov.

3. Applicable Legal Authorities

⁵ The term "resident" as used in this Notice refers to eligible resident families of public housing residing in a property applying for participation in RAD or a property that undergoes a conversion of assistance through RAD.

⁶ HUD Handbook 1378 (Tenant Assistance, Relocation, and Real Property Acquisition), available at: http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/library/relocation/policyandguidance/handbook1378.

- RAD: Consolidated and Further Continuing Appropriations Act of 2012 (Public Law 112-55, approved November 18, 2011), with the implementing PIH Notice 2012-32, REV-1
- URA statute and implementing regulations: 49 CFR part 24
- FHEO: Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Fair Housing Act
- Section 104(d) of the Housing and Community Development Act of 1974, statute and implementing regulations (if CDBG and/or HOME funds are used): 24 CFR part 42, subpart C

4. Relocation Planning

If there is a possibility that residents will be relocated as a result of acquisition, demolition, or rehabilitation for a project converting under RAD, PHAs must undertake a planning process in conformance with URA in order to minimize the adverse impact of relocation (49 CFR 24.205(a)).

While a written Relocation Plan is not a requirement under RAD or URA, the Department strongly encourages PHAs to prepare a written Relocation Plan, both to establish their relocation process and to communicate this process consistently and effectively to all relevant stakeholders. Appendix 1 contains recommended elements of a Relocation Plan.

The following presents a general sequencing of relocation planning activities within the RAD milestones:

Stage	Activities
1. Prior to submission of RAD application	<ul style="list-style-type: none"> • Determine potential need for relocation • Meet with residents to discuss plans, communicate right to return, and solicit feedback • Provide <i>General Information Notice</i> (GIN) to residents • Survey residents to prepare Relocation Plan and relocation process cost estimate
2. After receipt of the Commitment to Enter into a HAP Contract (CHAP) Award	<ul style="list-style-type: none"> • Prepare Significant Amendment to PHA Plan • Assess and refine need for relocation • Develop a Relocation Plan (See Appendix 1 for recommended content) • Identify relocation housing options
3. Preparing Financing Plan (due to RAD Transaction Manager no later than 180 days following	<ul style="list-style-type: none"> • Budget for relocation expenses • Submit FHEO Accessibility & Relocation checklist (PHAs may submit Relocation Plan along with checklist)

Stage	Activities
CHAP award)	
4. Receipt of RAD Conversion Commitment (RCC)	<ul style="list-style-type: none"> • The date of issuance of the HUD RCC marks the date of “Initiation of Negotiations” (ION), as defined in the URA (49 CFR 24.2(a)(15)) • Provide residents with appropriate notice informing them if they will be relocated and any associated relocation assistance • Meet with residents to describe approved conversion plans and discuss required relocation
5. Closing/RAD conversion	<ul style="list-style-type: none"> • Generally, resident relocation should not begin until after the date of closing/conversion of assistance under RAD • PHAs must adhere to notification requirements (described in Paragraph 8 of this Notice): generally, a minimum of 30 days for residents to be temporarily relocated for up to a year, and 90 days for permanent relocation • PHAs seeking to move residents prior to closing must receive prior approval from HUD as described in Paragraph 9 of this Notice

5. Resident Right to Return

RAD program rules prohibit the permanent involuntary relocation of residents as a result of conversion. Residents that are temporarily relocated retain the right to return to the project once it has been completed and is in decent, safe, and sanitary conditions.⁷ The period during which residents may need to be temporarily relocated is determined by the period of rehabilitation or construction, which will be specific to each project.

If proposed plans for a project would preclude a resident from returning to the RAD project, the resident must be given an opportunity to comment and/or object to such plans. If the resident objects to such plans, the PHA must alter the project plans to accommodate the resident in the converted project. If a resident agrees to such plans, the PHA must secure informed, written consent from the resident to receive permanent relocation assistance and payments consistent with URA and acknowledge that acceptance of such assistance terminates the resident’s right to return to the project. In obtaining this consent, PHAs must inform residents of their right to return, potential relocation, and temporary and permanent housing options at least 30 days before residents must make a decision. The PHA cannot employ any tactics to pressure residents into

⁷ Where the transfer of assistance to a new site is approved, residents of the converting project will have the right to reside in an assisted unit at the new site once rehabilitation or new construction is complete.

relinquishing their right to return or accepting permanent relocation assistance and payments.⁸ A PHA may not terminate a resident's lease if it fails to obtain this consent.

PHAs must keep documentation of such information provided to residents and such consent by residents. While HUD does not require PHAs to submit documentation of obtaining this consent, PHAs and participants must properly brief residents on their housing and relocation options and must keep auditable written records of such consultation and decisions. HUD may request this documentation during a review of the FHEO Relocation and Accessibility Checklist or if relocation concerns arise.

Examples of project plans that may preclude a resident from returning to the converted RAD project include, but are not limited to:

- Changes in bedroom distribution (i.e. when larger units will be replaced with smaller units such that current residents would become under-housed or when smaller units will be replaced with larger units such that current residents would become over-housed);
- Where a PHA is reducing the number of assisted units at a property by a de minimis amount⁹, but those units are occupied by assisted residents; or
- The reconfiguration of efficiency apartments, or the repurposing of dwelling units in order to facilitate social service delivery.

In all scenarios where residents voluntarily accept permanent relocation to accommodate project plans, these residents are eligible for permanent relocation assistance and payments under URA. If a resident accepts permanent relocation assistance, the resident surrenders his or her right to return to the completed project.

6. Relocation Assistance

Under RAD, relocation assistance may vary depending on the length of time relocation is required.¹⁰

- a. In instances when the PHA anticipates that a resident will be relocated for more than a year, the PHA must offer the resident the choice of:
 - Permanent relocation assistance and payments at URA levels; or
 - Temporary relocation assistance, including temporary housing, while the resident retains his or her right to return and reimbursement for all reasonable out-of-pocket expenses associated with the temporary relocation.

⁸ Persons with disabilities returning to the RAD project may not be turned away or placed on a waiting list due to a lack of accessible units. Their accessibility needs must be accommodated.

⁹ A reduction in total number of assisted units at RAD project of 5% or less. (Section 1.5.B of PIH 2012-32 REV-1)

¹⁰ Some residents may not qualify for relocation assistance under URA. A nonexclusive listing of persons who do not qualify as displaced persons under URA is at 49 CFR 24.2(a)(9)(ii). See also, Paragraph 1-4(J) of HUD Handbook 1378.

The PHA must give the resident no less than 30 days to decide between permanent and temporary relocation assistance. If the resident elects to permanently relocate with assistance at URA levels, the PHA must inform the resident that his or her acceptance of permanent relocation assistance terminates the resident's right to return to the completed RAD project.

- b. In instances when a resident elects temporary relocation assistance and reoccupies a unit in the completed project within one year, the resident need not be offered permanent relocation assistance pursuant to URA.

Great care must be exercised to ensure that residents are treated fairly and equitably. If a resident is required to relocate temporarily in connection with the project, his or her temporarily occupied housing must be decent, safe, and sanitary and the resident must be reimbursed for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation. These expenses include, but are not limited to, moving expenses and increased housing costs during the temporary relocation.

- c. In the event that a resident elects to receive temporary relocation assistance and the temporary relocation exceeds one year, the resident becomes eligible for all permanent relocation assistance and payments under URA. (This assistance would be in addition to any assistance the person has already received for temporary relocation, and may not be reduced by the amount of any temporary relocation assistance.) In such event, the PHA shall give the resident the opportunity to choose to remain temporarily relocated for an agreed-to period (based on new information about when they can return to the completed RAD unit), or choose to permanently relocate with URA assistance.

PHAs may not propose or request that a displaced person waive rights or entitlements to relocation assistance under the URA. If the resident elects to permanently relocate with URA assistance, the PHA must inform the person that the person's acceptance of URA relocation assistance to permanently relocate will terminate the person's right to return to the completed RAD project. Conversely, unless and until the resident elects to be permanently relocated, the resident may remain temporarily relocated with a right to return to the completed project.

7. Initiation of Negotiations (ION) Date

Eligibility for URA relocation assistance is generally effective on the date of initiation of negotiations (ION) (49 CFR 24.2(a)(15)). For RAD projects, the ION date is the date of the issuance of the RAD Conversion Commitment (RCC).

8. Resident Notification

When a project converting under RAD will include relocation of residents, notice must be provided to those resident households. For each notice listed below, one notice shall be given to each resident household. The purpose of these notifications is to ensure that residents are

informed of their potential rights and the relocation assistance available to them. During initial meetings with residents about RAD and in subsequent communications with residents related to relocation, the PHA should inform residents that if they choose to move after receiving a written GIN, but prior to receiving a RAD Notice of Relocation, they may jeopardize their eligibility for relocation assistance. However, PHAs should note that a resident move undertaken as a direct result of the project may still require relocation assistance and the resident may be eligible to receive permanent relocation assistance under the URA even though the PHA has not yet issued notices.

a. *General Information Notice* (49 CFR 24.203(a) & Handbook 1378, Paragraph 2-3(B))

As soon as feasible in the planning process, the PHA must provide each resident with a written GIN (see sample in Appendix 2) to provide a general description of the project, the activities planned, and the relocation assistance that may become available. URA regulations state that the GIN should be provided *as soon as feasible*. Under RAD, PHAs must provide GINs during the initial RAD resident meetings, before submitting a RAD application. GINs must do at least the following:

- Inform the resident that he or she may be displaced for the project and generally describe the relocation payment(s) for which the resident may be eligible, the basic conditions of eligibility, and the procedures for obtaining the payment(s);
- Inform the resident that he or she will be given reasonable relocation advisory services, including referrals to replacement properties, help in filing payment claims, and other necessary assistance to help the resident successfully relocate;
- Inform the resident that, if he or she qualifies for relocation assistance as a displaced person under the URA, he or she will not be required to move without at least 90 days advance written notice, and inform any person to be displaced from a dwelling that he or she cannot be required to move permanently unless at least one comparable replacement dwelling has been made available;
- Inform the resident that any person who is an alien not lawfully present in the United States is ineligible for relocation advisory services and relocation payments, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child (see 49 CFR 24.208(h) for additional information); and
- Describe the resident's right to appeal the PHA's determination as to a person's eligibility for URA assistance.

b. *RAD Notice of Relocation*

If a resident will be relocated to facilitate the RAD conversion, the PHA shall provide notice of such relocation (RAD Notice of Relocation). The PHA shall issue this notice upon the PHA's receipt of the RCC from HUD, which is the ION date.

If residents will not be relocated, notice of relocation is not required, but the PHA should

notify them that they are not being relocated.¹¹

The RAD Notice of Relocation must conform to the following requirements:

- The notice must state the anticipated duration of the resident's relocation.
- PHAs must provide this notice a minimum of 30 days prior to relocation to residents who will be temporarily relocated.¹² Longer notice may be appropriate for persons who will be relocated for an extended period of time (over 6 months), or if necessary due to personal needs or circumstances.
- Residents whose temporary relocation is anticipated to exceed one year must be informed that they will have no less than 30 days to elect temporary or permanent relocation as described in Section 6 of this Notice. When timing is critical for project completion, the 30-day decision period can run concurrently with the 30-day notice period for temporary relocation and with the 90-day period for permanent relocation if the PHA makes available comparable replacement dwellings consistent with 24.204(a).
- Residents who will be permanently relocated must receive written notice a minimum of 90 days prior to relocation. This 90-day time period may only begin once the PHA has made available at least one comparable replacement dwelling consistent with 49 CFR 24.204(a).¹³
- The notice must describe the available relocation assistance, the estimated amount of assistance based on the individual circumstances and needs, and the procedures for obtaining the assistance. The notice must be specific to the resident and his or her situation so that the resident will have a clear understanding of the type and amount of payments and/or other assistance the resident household may be entitled to claim.
- The notice must explain the reasonable terms and conditions under which the resident may continue to lease and occupy a unit in the completed project.
- The notice must state that the PHA will reimburse the resident for all reasonable out-of-pocket expenses incurred in connection with any temporary move. These expenses include, but are not limited to, moving expenses and increased housing costs (rent, utilities, etc.).

c. *Notice of Intent to Acquire* (49 CFR 24.203(d))

¹¹ HUD policy generally requires a "notice of non-displacement" in certain instances; the RAD program does not require this notice. Although the scope of this notice is limited to guidance for projects requiring relocation, PHAs should note, however, that there may be notification requirements for projects that do not involve relocation. The RAD conversion will terminate the resident's public housing lease and commence a PBV or PBRA lease, even when there is no relocation required. In such instances, state law may impose certain notification requirements. In addition, public housing regulations generally require 30 days' notice prior to lease termination. PHAs are encouraged to review public housing requirements set forth in 24 CFR parts 5 and 966.

¹² HUD may approve shorter notice periods based on an urgent need due to danger, health, or safety issues or if the person will be temporarily relocated for only a short period.

¹³ PHAs should note that URA regulations also require, where possible, that three or more comparable replacement dwellings be made available before a resident is required to move from his or her unit.

For RAD projects involving acquisition, residents may be provided with a notice of intent to acquire (“*Notice of Intent to Acquire*”) prior to the ION date with HUD’s prior approval. Once the Notice of Intent to Acquire is provided, a resident’s eligibility for relocation assistance and payments is established. Therefore, the RAD Notice of Relocation must be provided in conjunction with or after the Notice of Intent to Acquire. A RAD Notice of Relocation would not otherwise be sent prior to the ION date.

Since residents who accept permanent relocation must receive 90 days advanced written notice prior to being required to move, providing residents the Notice of Intent to Acquire and RAD Notice of Relocation prior to the ION date may be necessary to provide sufficient notice of relocation to a resident in instances where there may not be 90 days between the issuance of the RCC (ION date) and the anticipated closing date. This allows the PHA to issue the notice earlier so that relocation may begin upon closing. This allows program participants to conduct orderly relocation upon closing, minimize adverse impacts on displaced persons, and to expedite project advancement and completion.¹⁴

- d. *URA Notice of Relocation Eligibility – for residents whose temporary relocation exceeds one year* (49 CFR 24.203(b) & Handbook 1378, Paragraph 2-3(C))

After a resident has been temporarily relocated for one year, the PHA must provide a notice of relocation eligibility in accordance with URA requirements (“*Notice of Relocation Eligibility*”). This notice is not required if the resident has already accepted permanent relocation assistance.

The Notice of Relocation Eligibility must conform to URA requirements as set forth in 49 CFR Part 24, to HUD Handbook 1378 and to the following requirements:

- The PHA must provide updated information as to when it is anticipated that the resident will be able to return to the completed project.
- The resident may choose to remain temporarily relocated based upon such updated information or may choose to accept permanent URA relocation assistance in lieu of exercising the right to return.
- If the resident chooses to accept permanent URA relocation assistance and such assistance requires that the resident move, the URA requires such resident to receive 90 days advance written notice of the earliest date they will be required to move (i.e., 90-Day Notice, 49 CFR 24.203(c)). The PHA should be mindful that the 90-day time period may only begin once the PHA has made available at least one “comparable replacement dwellings” as set forth in 49 CFR 24.204(a).

9. Initiation of Relocation

¹⁴ PHAs and program participants should note that, in most instances, it will be most appropriate for the acquiring entity to send this notice.

Unless otherwise approved by HUD, relocation may not begin until the date of closing of the RAD transaction and recordation of the RAD Use Agreement. PHAs must provide residents being temporarily relocated at least 30 days advance written notice of the required move. PHAs must give residents being permanently relocated at least 90 days advance written notice of the required move. This means PHAs are advised to plan carefully to account for this 30-day or 90-day notice period to ensure the closing is not delayed.

However, HUD is aware that, in rare cases, some project plans necessitate relocation prior to closing. With prior HUD approval, for projects involving acquisition, PHAs may relocate residents prior to the closing date subject to public housing requirements (see 24 CFR part 5 and 24 CFR 966). PHAs must contact their assigned RAD transaction manager (TM) to discuss plans as early as possible in the process to ensure compliance with all RAD and URA requirements.

If relocation prior to closing is desired, PHAs should submit to the TM the following information, as early as possible in the process:

- A written request for relocation prior to closing. The request must include justification of why the early relocation is necessary for the viability of the RAD transaction. Justification may include the presence of outside financing, such as Low Income Housing Tax Credit (LIHTC) awards, if the PHA can show that early relocation is necessary to meet critical LIHTC deadlines.
- FHEO Accessibility and Relocation Checklist.
- Evidence of intent to comply with public housing requirements, as applicable. Generally, public housing regulations require public housing residents to receive 30 days' notice prior to relocation and that such notice either be published in the PHA's admissions and continued occupancy policies (ACOP) or published elsewhere at least 30 days prior to receipt of such notice (24 CFR parts 5 and 966).

When seeking to relocate residents prior to closing, submission of this request as early as possible is preferred, prior to the 180-day Financing Plan milestone if possible (with Financing Plan submission following the request).

HUD reserves the right to request additional follow-up information, including a Relocation Plan and related budget, prior to approving such requests. PHAs must receive written HUD approval before beginning relocation of residents prior to closing.

Early planning and submission of the Financing Plan and FHEO checklist to HUD will ensure the PHA has built in the 30- or 90-day notice period prior to initiating relocation.

10. Fair Housing and Civil Rights Requirements

PHAs must comply with all applicable fair housing and civil rights laws, including, but not limited to, the Fair Housing Act, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973, when conducting relocation planning and providing relocation assistance. Further, communication must be provided in a manner that is effective for persons

with disabilities (24 CFR 8.6) and for person who are Limited English Proficient (see 72 FR 2732). This section discusses some of the PHA's obligations under these laws and regulations. However, the applicability of civil rights laws is not limited to the activities discussed in this section. PHAs conducting relocation activities should familiarize themselves with applicable civil rights statutes, regulations, and guidance, including but not limited to, those listed at the end of this section.

- **Effective Communication for Persons with Disabilities:** Communications and materials must be provided in a manner that is effective for persons with hearing, visual, and other communication-related disabilities consistent with Section 504 of the Rehabilitation Act of 1973 (24 CFR 8.6), and as applicable, the Americans with Disabilities Act; and for persons who are limited English proficient (*see* 72 Fed Reg 2732). This includes ensuring that training materials are in appropriate alternative formats as needed, e.g., Braille, audio, large type, assistive listening devices, and sign language interpreters.
- **Accessible Meeting Facilities for Persons with Disabilities:** When holding public meetings, PHAs must give priority to methods that provide physical access to individuals with disabilities, i.e., holding the meetings, workshops, and briefings or any other type of meeting in an accessible location, in accordance with the regulations implementing Section 504 of the Rehabilitation Act of 1973 and Titles II and III of the Americans with Disabilities Act of 1990, as applicable. All programs and activities must be held in accessible locations unless doing so would result in an undue financial and administrative burden, in which case the PHA must take any action that would not result in such an alteration or such burden but would nevertheless ensure that individuals with disabilities receive the benefits and services of the program or activity, e.g., briefings at an alternate accessible, in-home briefing. Individuals with disabilities must receive services in the most integrated setting appropriate to their needs. The most integrated setting appropriate to the needs of qualified individuals with disabilities is a setting that enables individuals with disabilities to interact with nondisabled person to the fullest extent possible (28 CFR part 35, appendix B).
- **Meaningful Access for Persons with Limited English Proficiency (LEP):** PHAs must provide meaningful access to programs and activities for persons who have a limited ability to read, speak, or understand English. Any person with LEP who will be temporarily relocated or permanently displaced must have meaningful access to any public meetings regarding the project. In addition, any information provided to residents including, but not limited to, any notices required under the URA, should be provided in the appropriate language to persons with LEP. Generally, PHAs will be responsible for providing oral interpreters at meetings, including ensuring their competence, and covering any associated translation and interpretation costs.
- URA requires that PHAs provide persons who are unable to read or understand the notices, such as persons with disabilities or persons with LEP, with appropriate translation and counseling to ensure that they understand their rights and responsibilities and the assistance available to them (49 CFR 24.5). URA also requires that each notice indicate the name and telephone number of a person to contact with questions or for other

needed help (49 CFR 24.5). This notice should include the number for the telecommunication device for the deaf (TDD) or other appropriate communication device, if applicable (24 CFR 8.6(a)(2)).

- **Comparable Housing for Persons with Disabilities:** PHAs should identify the accessibility needs of residents to be relocated by consulting existing information (e.g., tenant characteristics forms, including identification of the need for accessible unit features; records of approved reasonable accommodations, and records of the presence of accessible unit features). For guidance on providing relocation assistance to persons with disabilities, see Exhibit 3-1 in HUD Handbook 1378.
- **Advisory Services:** PHAs should determine the advisory services that will be necessary to ensure a successful relocation program consistent with 49 CFR 24.205(c). Such advisory services may include housing counseling that should be facilitated to ensure that residents affected by the project understand their rights and responsibilities and the assistance available to them (49 CFR 24.205(c)). Advisory counseling must also inform residents of their fair housing rights and be carried out in a manner that satisfies the requirements of Title VI of the Civil Rights Act of 1964, the Fair Housing Act, and Executive Order 11063 (49 CFR 24.205(c)(1)). In addition, PHAs should inform residents that if they believe they have experienced unlawful discrimination, they may contact HUD at 1-800-669-9777 (Voice) or 1-800-927-9275 (TDD) or at <http://www.hud.gov>.

Fair Housing References:

- Section 504 of the Rehabilitation Act of 1973
 - Regulations: 24 CFR part 8
 - Fair Housing Act Regulations: 24 CFR part 100
 - Title VI of the Civil Rights Act of 1964
 - Regulations: 24 CFR part 1
 - Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (LEP Guidance) (72 FR 2732)
 - Exhibit 3-1 Compliance with Section 504 of the Rehabilitation Act in HUD Handbook 1378 (Tenant Assistance Relocation and Real Property Acquisition)
-

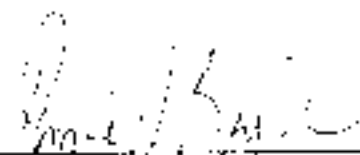
11. Other Requirements

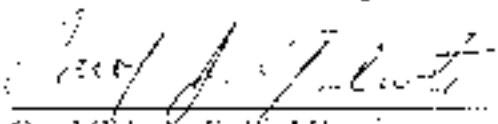
a. Public Housing Program Compliance

PIAs should note that public housing resident provisions related to occupancy and termination, including grievances and related hearings, will remain in effect until the execution of the new PBV or PHRA Housing Assistance Payment (HAP) contract.

b. Evictions for Cause

If the PIA determines that a resident was evicted in accordance with applicable state and local law for serious or repeated violation of material terms of the lease, and the eviction was not undertaken for the purpose of evading the obligation to make available URA payments and other assistance, the resident is not entitled to relocation payments and assistance under the URA (49 CFR 24.206).



Jennie A. Bryon
General Deputy Assistant Secretary for
Public and Indian Housing

Carol Galante, Federal Housing
Commissioner - Assistant Secretary for
Housing

APPENDICES

Appendix 1

Recommended Relocation Plan Contents

Appendix 2

Sample RAD General Information Notice (GIN)

Appendix 3

Sample RAD Notice of Relocation (for relocation anticipated for a year or less)

Appendix 4

Sample RAD Notice of Relocation (for relocation anticipated for more than a year)

Appendix 5

Sample Notice of Eligibility for URA Relocation Assistance (for residents who have been temporarily relocated for more than a year)

Appendix 1: RECOMMENDED RELOCATION PLAN CONTENTS

While written Relocation Plans are not required under RAD or URA, the Department strongly encourages PHAs to document their relocation planning process and procedures in a written Relocation Plan. The following provides suggested content for Relocation Plans.

I. Project Summary

The Relocation Plan should provide a general description of and purpose for the project (e.g., year built, location, number of units, configuration, occupancy information, and funding sources).

The basic components of a plan include:

- A general description of the project and the site, including acquisition, demolition, rehabilitation, and construction activities and funding sources;
- A detailed discussion of the specific steps to be taken to minimize the adverse impacts of relocation, including when transferring the assistance to a new site;
- Information on occupancy (including the number of residents, residential owner-occupants and non-residential occupants, if any, to be permanently or temporarily relocated);
- Information on relocation needs and costs (including the number of residents who plan to relocate with Section 8 assistance);
- General moving assistance information;
- Temporary move assistance (including information on the duration of temporary moves);
- Permanent move assistance; and
- Appeals process.

II. Resident Return and Re-occupancy Policies

For residents that will be temporarily relocated, the plan should include the criteria that will be used to determine the priority for residents to re-occupy units at the project after rehabilitation, demolition, and/or construction is completed. For example, if units will come online in stages, the plan should outline how the PHA will determine when each resident will return to the project. PHAs should ensure that any written return or re-occupancy policy is compliant with related RAD requirements, such as the right-to-return policy and the “no re-screening upon conversion” policy, as described in the RAD Notice.

III. Summary of Moving Costs

The plan should include a summary of moving costs, identified by move types, including the following:

Temporary Moves

- Number of and cost amount for two-way moves (i.e., a move to another unit and then a return move) within the same building/complex.
- Number of and cost amount for two-way moves to a unit not in the same building/complex, carried out by the PHA.
- Number of and cost amount for two-way moves to a unit not in the same building/complex not carried out by the PHA.

Permanent Moves

- Number of and cost amount for one-time moves into another unit in the same building/complex.¹⁵
- Number of and cost amount for one permanent move to a unit not within the same building/complex, carried out by the PHA.
PHAs should note that if a residential move is carried out by the PHA at no cost to the resident, this per-household estimate must include the required dislocation allowance (currently \$100). The URA Fixed Residential Moving Cost Schedule lists the most current dislocation allowance:
http://www.fhwa.dot.gov/real_estate/practitioners/uniform_act/relocation/moving_cost_schedule.cfm
- Number of and cost amount for one permanent move to a unit not within the same building/complex that is not carried out by the PHA.

IV. Temporary Relocation Assistance

The PHA will assist residents who are required to move temporarily. At the Initiation of Negotiations (ION), the PHA will send a RAD Notice of Relocation to residents who will be relocated. Appendices 3 and 4 of this Notice contain sample RAD Notices of Relocation to be provided to residents that will be temporarily relocated.

The plan should detail the temporary relocation assistance the PHA will provide for residents (Paragraph 2-7 of HUD Handbook 1378). This assistance includes:

- Temporary Housing - The PHA will provide temporary housing that is decent, safe, and sanitary on a nondiscriminatory basis for residents who are relocated temporarily. The PHA will also pay for reasonable increased housing costs that the resident incurs in connection with the temporary relocation.

NOTE: If a resident's relocation exceeds one year, the PHA must then issue a *Notice of Relocation Eligibility* (49 CFR 24.203(b)) to the resident and offer the resident permanent

¹⁵ A resident who moved to another unit in the same building/complex may be considered a displaced person under URA if the resident moves from the building/complex permanently and was not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move within the same building/complex and/or if other conditions of the move within the building/complex were not reasonable.

relocation assistance and payments at URA levels. The PHA must provide this notice to affected residents as soon as the temporary relocation exceeds one year.

- **Packing and Moving Assistance** - Since most residents prefer to pack their own personal possessions and items of value, they should be provided packing instructions, boxes, markers, and tape for the move. If assistance in packing is needed, the PHA should provide the resident with information on how to request this assistance. The PHA is responsible for covering all reasonable moving expenses incurred in connection with temporarily relocating a resident. The PHA may reimburse the resident's out-of-pocket moving expenses and/or directly carry out the move.
- **Payment for Temporary Relocation Moving Expenses** - The plan should also indicate how the PHA intends to provide or reimburse for moving services and expenses. The PHA can choose to do one or more of the following:
 - Undertake the moves itself, using force account labor or a moving company;
 - Use PHA's contractor or moving company;
 - Carry out moves with employees of the PHA;
 - Reimburse residents for all actual and reasonable moving costs.

NOTE: The PHA will not make fixed payments since such payments may not be representative of actual reasonable costs incurred. However, in order for a resident to be sure of full reimbursement, the resident should submit a moving cost estimate to the PHA for approval prior to the move unless the PHA is directly carrying out the move and the resident will not incur any reasonable out-of-pocket moving expenses. Failure to do so may result in the resident not being fully reimbursed.

- **Utility Costs** - The PHA is responsible for covering the expenses relating to disconnection and reconnection of necessary utilities. If the resident has telephone, cable service or Internet access, the PHA is responsible for covering the expenses involved in transferring existing service. The PHA may also pay utility deposits, if required at the temporary relocation housing (HUD Handbook 1378, paragraph 2-7(A)(3)). If a resident is temporarily relocating from a public housing unit to a non-public housing unit, the resident must be reimbursed for reasonable increases in utility costs even if the PHA utility allowance is lower than the actual costs to the resident.

V. Permanent Relocation Assistance

Based on the local housing resources available, the PHA should identify the replacement housing options that will be available to meet the housing needs of residents to be permanently relocated. Replacement housing options for residents that meet the definition of a "displaced person" (49 CFR 24.2(a)(9)) under the URA include, but are not limited to:

- Other Public Housing;
- Section 8 Project-Based Voucher unit;
- Section 8 Housing Choice Voucher unit;
- Homeownership housing;

- Private-market rental housing (affordable, non-subsidized).¹⁶

The plan should describe each type of replacement housing projected to be available, including:

1. Number of units, by bedroom size, expected to be available, and discussion of whether available units will meet dwelling requirements of relocated residents;
2. General area or location of unit(s);
3. Criteria for receiving relocation assistance; and
4. Any other information that might benefit residents in their consideration of housing choices.

The plan should include a description of the permanent relocation assistance the PHA will provide to residents. This assistance includes:

- Availability of Comparable Replacement Housing – Under URA, no displaced resident will be required to move unless at least one comparable replacement dwelling (49 CFR 24.2(a)(6)) is made available at least 90 days before the required move (49 CFR 24.203(c)). Comparable replacement dwellings must contain the accessibility features needed by displaced persons with disabilities (49 CFR 24.2(a)(8)(vii); 49 CFR part 24, Appendix A, §24.2(a)(8)(vii)). If the comparable replacement dwelling is not subsidized housing, the PHA should contact the RAD staff for advice on replacement housing payment requirements.
- Referral to Housing Not Located in an Area of Minority Concentration - Whenever possible, minority persons shall be given reasonable opportunities to relocate to decent, safe, and sanitary replacement dwellings that are within their financial means and not located in areas of minority concentration (49 CFR 24.205(c)(2)(ii)(D)). However, this policy does not require a PHA to provide a person a larger payment than is necessary to enable a person to relocate to a comparable replacement dwelling unit.
- Permanent Relocation Moving Expenses from Public Housing to Public Housing - The PHA may choose one of the following options for covering the expenses involved in moving public housing residents that are relocated into other public housing:
 - Undertake the move itself, using force account labor or a moving company. Residents should incur no moving costs under this option, but if such expenses are incurred, the PHA is responsible for reimbursing the resident for any such actual and reasonable expenses. In such case, the resident is also entitled to a dislocation allowance (currently \$100). The URA Fixed Residential Moving Cost Schedule lists the current dislocation allowance and is available at:
http://www.fhwa.dot.gov/real_estate/practitioners/uniform_act/relocation/moving_cost_schedule.cfm

¹⁶ Every effort should be made to find another subsidized unit as replacement housing for a resident relocating from subsidized housing so that the resident will continue receiving the housing subsidy as long as it is needed.

NOTE: Residents who prefer to pack their own personal possessions and items of value may be provided packing instructions, boxes, markers, and tape for their move. If a resident needs assistance in packing, they should contact the PHA. It is the responsibility of the PHA to pack and move all of their belongings and household goods, if so desired.

- Allow the resident to elect one of the following choices:
 - 1) The PHA will reimburse the resident for the cost of all actual reasonable and necessary moving and related expenses (49 CFR 24.301), such as:
 - Transportation of the resident and personal property. This may include reimbursement at the current mileage rate for personally owned vehicles that need to be moved. Transportation costs for a distance beyond 50 miles are not eligible, unless the PHA determines that relocation beyond 50 miles is justified.
 - Packing, crating, uncrating, and unpacking of personal property.
 - Storage of personal property for a period not to exceed 12 months, unless the PHA determines that a longer period is necessary.
 - Disconnecting, dismantling, removing, reassembling, and reinstalling relocated household appliances and other personal property.
 - Insurance for the replacement value of the property in connection with the move and necessary storage.
 - The replacement value of property lost, stolen, or damaged in the process of moving (not through the fault or negligence of the displaced person, his or her agent, or employee) where insurance covering such loss, theft, or damage is not reasonably available.
 - 2) The PHA will pay directly to the resident the applicable and current fixed moving cost payment according to the URA Fixed Residential Moving Cost Schedule (49 CFR 24.302), available at:
http://www.fhwa.dot.gov/real_estate/practitioners/uniform_act/relocation/moving_cost_schedule.cfm
- Permanent Relocation Moving Expenses for All Other Moves – Under URA, residents who are permanently displaced, except for those residents displaced from public housing and moving to other public housing, are entitled to the assistance described in the brochure *Relocation Assistance To Residents Displaced From Their Homes*, available in English at http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_16280.doc and in Spanish at http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_16281.doc. Residents may choose moving assistance from one of the following two options.
 - 1) The PHA will reimburse the resident for the cost of all actual reasonable moving and related expenses (49 CFR 24.301).
 - 2) The PHA will pay directly to the resident the applicable and current fixed moving cost payment according to the URA Fixed Residential Moving Cost Schedule (49

CFR 24.302), available at:

http://www.fhwa.dot.gov/real_estate/practitioners/uniform_act/relocation/moving_cost_schedule.cfm.

- Replacement Housing Payment - In addition to covering moving expenses, displaced residents may be entitled to a replacement housing payment (RHP). This payment is intended to cover the increase, if any, in monthly housing costs for a 42-month period.

When calculating the RHP, the PHA must consider the comparable replacement housing unit offered to the resident. Since the PHA is not required to pay an RHP amount that exceeds the amount of RHP calculated for the offered comparable replacement dwelling, residents are cautioned to work closely with the PHA prior to their move.

- Accessible Housing for Persons with Disabilities - Under the URA, persons with disabilities who will be permanently displaced must be relocated to a replacement dwelling that contains the accessibility features they need (49 CFR 24.2(a)(8)(vii); 49 CFR Appendix A, 24.2(a)(8)(vii)). A person with disabilities who has been relocated must be offered a comparable replacement dwelling unit that contains accessible features comparable to the housing from which the tenant has been displaced or relocated. This is so even if the tenant has paid for the acquisition and/or installation of accessible features in the housing from which he or she has been relocated; in such instances, the recipient must ensure that the replacement housing contains comparable accessible features or provide relocation assistance to the tenant in an amount that covers the cost of acquiring and/or installing comparable accessible features. Under the URA, an agency may use project funds to remove architectural barriers for displaced owners and tenants with disabilities or take other last resort housing measures if comparable replacement dwelling units are not available within the monetary limits prescribed under the URA regulations (49 CFR 24.404(c)(vii); HUD Handbook 1378, Paragraph 3-8).

VI. Relocation Budget

Based on the results of the planning process, the PHA should create a relocation budget that includes the following six components:

- 1) The cost of administering the plan and providing assistance and counseling.
- 2) Reasonable moving expenses for a person with disabilities, which may include the cost of moving assistive equipment that is the personal property of the residents, the furnishings and personal belonging of a live-in aide, and/or other reasonable accommodations (HUD Handbook 1378, Paragraph 3-2).
- 3) The cost of the physical move of the residents' belongings. (It is suggested that the move costs be broken down by average cost per move type multiplied by the number of moves.)

NOTE: This physical move cost total should be based on the move scenarios anticipated

or projected by the resident survey.

- 4) The cost estimated to pay for projected increases in monthly housing costs for temporary relocation.
- 5) The cost estimated to pay for the replacement housing payment (RHP) (42-month period for URA or 60-month period if section 104(d) applies).
- 6) Contingency costs estimated for carrying out the relocation process necessary to complete the proposed project. (The PHA should state where these costs are indicated in the application, or attach any other information required by HUD, to support these costs.)

VII. Appeal Process

If a resident disagrees with the PHA's decision as to the resident's eligibility to receive relocation assistance, the amount of a relocation payment, or the adequacy of a comparable replacement dwelling offered to a resident, the resident may file a written appeal to the PHA. The Relocation Plan should describe the specific appeal procedures to be followed consistent with 49 CFR 24.10 (and 24 CFR 42.390 if section 104(d) is involved). At a minimum, the resident will have 60 days to file an appeal with the PHA after receiving written notification of a claim or ineligibility determination.

VIII. Certification

The plan should contain a certification of compliance with the URA and, if applicable, section 104(d).

Technical Assistance

The PHA should direct questions on this Notice's relocation assistance requirements to their RAD Transaction Manager or email rad@hud.gov.

Appendix 2: SAMPLE RAD GENERAL INFORMATION NOTICE (GIN)

PHA LETTERHEAD

RENTAL ASSISTANCE DEMONSTRATION (RAD) GENERAL INFORMATION NOTICE (GIN)

[Date]

Dear [Resident Name],

The property you currently occupy is being proposed for participation in the Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. At this time, we expect that [the proposed acquisition, rehabilitation or demolition, may require you to be relocated (temporarily or permanently) from your unit]. We will provide further details to you as plans develop. **This notice does not mean that you need to leave the property at this time. This is not a notice of eligibility for relocation assistance.** The remainder of this letter only applies to situations where you will need to be relocated from your unit.

This notice serves to inform you of your potential rights under the RAD program and a federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). If the proposed RAD project receives HUD approval and if you are displaced permanently as a result, you may become eligible for relocation assistance and payments under the URA, including:

- 1) Relocation advisory services that include referrals to replacement properties, help in filing payment claims and other necessary assistance to help you successfully relocate;
- 2) At least 90 days' advance written notice of the date you will be required to move;
- 3) Payment for moving expenses; and
- 4) Payments to enable you to rent a similar replacement home.

NOTE: Aliens not lawfully present in the United States are not eligible for URA relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an immigrant lawfully present in the United States.

As a resident of a property participating in RAD, you have the right to return to the project after the project is complete. You will be able to lease and occupy a unit in the converted project when rehabilitation is complete.

If you are permanently displaced from your home, you will not be required to move until you are given at least 90-day advance written notice of any required move and at least one comparable replacement dwelling has been made available to you. If you are temporarily relocated and your temporary relocation lasts more than one year, you will be contacted and offered permanent relocation assistance as a displaced person under the URA. This assistance would be in addition

to any assistance you may receive in connection with temporary relocation and will not be reduced by the amount of any temporary relocation assistance you have already received.

If you are required to relocate from the property in the future, you will be informed in writing. [PHA] will inform you of what assistance and payments you are eligible for if you will be relocated because of RAD and how you will receive these payments. If you become a displaced person, you will be provided reasonable assistance necessary to complete and file any required claim to receive a relocation payment. If you feel that your eligibility for assistance is not properly considered, you will also have the right to appeal a determination on your eligibility for relocation assistance.

You should continue to pay your rent and meet any other requirements specified in your lease. If you fail to do so, [PHA] may have cause for your eviction. If you choose to move, or if you are evicted, prior to receiving a formal notice of relocation eligibility, you may become ineligible to receive relocation assistance. It is very important for you to contact us before making any moving plans.

You will be contacted soon so that we can provide you with more information about the proposed project. If the project is approved, we will make every effort to accommodate your needs. In the meantime, if you have any questions about our plans, please contact: [Name, Title, Address, Phone, Email Address]. This letter is important to you and should be retained.

Sincerely,

[Name]

[Title]

NOTES:

1. Files must indicate how this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (49 CFR 24.5 and Paragraph 2-3(J) of Handbook 1378)
2. This is a sample GIN. PHAs should revise it to reflect project-specific circumstances.
3. PHAs may provide residents with HUD brochure “Relocation Assistance To Residents Displaced From Their Homes” available at:
<http://www.hud.gov/offices/cpd/library/relocation/publications/1042.pdf>.

Appendix 3: SAMPLE RAD NOTICE OF RELOCATION (For relocation anticipated for a year or less)

***THIS IS A GUIDE FORM.
REVISE TO REFLECT THE PROJECT-SPECIFIC CIRCUMSTANCES.***

PHA Letterhead

(date)

Dear [*Resident Name*],

The property you currently occupy is participating in the Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. On [*date*], the [*Public Housing Authority*] (PHA) notified you of proposed plans to [acquire/ rehabilitate/demolish] the property you currently occupy at [*address*]. On [*date*], HUD issued the RAD Conversion Commitment (RCC) and committed federal financial assistance to the project. [*In instances where a Notice of Intent to Acquire is applicable and this notice is being sent before the RCC is issued, in lieu of the previous sentence noting the RCC issuance date, insert: [Name of entity acquiring the property] (Displacing Agency) intends to acquire the property you currently occupy. This is a Notice of Intent to Acquire.*]

In order for PHA to complete the project, you will need to be relocated for [*anticipated duration of relocation*]. Upon completion of the project, you will be able to lease and occupy your present unit or another decent, safe and sanitary unit in the completed project under reasonable terms and conditions. You are eligible for relocation payments and assistance.

However, **you do not need to move now**. This notice informs you that a decent, safe, and sanitary dwelling unit, listed below, has been made available to you and you will be required to move by [*insert date at least 30 days after the date of this notice*].

If your temporary relocation exceeds one year and you qualify as a "displaced person" under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), you may be eligible for further relocation assistance and payments under URA.

NOTE: Aliens not lawfully present in the United States are not eligible for URA relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

The relocation assistance to which you are entitled includes:

- **Payment for Moving Expenses**. You are entitled to be reimbursed for all reasonable out-of-pocket expenses incurred in connection with any temporary

move. *[PHA should list the form of payment for moving expenses selected in accordance with Appendix 1, Section 4 of this Notice.]*

- The location of your temporary replacement unit is *[address]*. This temporary housing has been determined to be decent, safe and sanitary.
- *[List appropriate relocation advisory services and any other services and assistance provided.]*

If you disagree with this determination, you may file a written appeal to the PHA in accordance with 49 CFR 24.10.

If you have any questions about this notice and your eligibility for relocation assistance and payments, please contact *[Name, Title, Address, Phone, Email Address]* before you make any moving plans. He/she will assist you with your move to a temporary unit and help ensure that you preserve your eligibility for any relocation payments to which you may be entitled.

Remember, do not move or commit to the purchase or lease of a replacement home before we have a chance to further discuss your eligibility for relocation assistance. This letter is important to you and should be retained.

Sincerely,

Print name:

Title:

NOTE: The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See 49 CFR 24.5 and Paragraph 2-3(J) of Handbook 1378.)

Appendix 4: SAMPLE RAD NOTICE OF RELOCATION (For relocation anticipated for more than a year)

***THIS IS A GUIDE FORM.
REVISE TO REFLECT THE PROJECT-SPECIFIC CIRCUMSTANCES.***

PHA Letterhead

(date)

Dear [Resident Name],

The property you currently occupy is participating in the Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. On [date], the [Public Housing Authority] (PHA), notified you of proposed plans to [acquire/ rehabilitate/demolish] the property you currently occupy at [address]. On [date], HUD issued the RAD Conversion Commitment (RCC) and committed federal financial assistance to the project. *[In instances where a Notice of Intent to Acquire is applicable and this notice is being sent before the RCC is issued, in lieu of the previous sentence noting the RCC issuance date, insert: [Name of entity acquiring the property] (Displacing Agency) intends to acquire the property you currently occupy. **This is a Notice of Intent to Acquire.**]*

In order for PHA to complete the project, you will need to be relocated for [anticipated duration of relocation]. Upon completion of the project, you will be able to lease and occupy your present unit or another decent, safe and sanitary unit in the completed project under reasonable terms and conditions. You are eligible for relocation assistance and payments. Because we expect your relocation to exceed one year, you have the choice to either:

- Receive temporary relocation assistance and return to a unit in the RAD project once it is complete; or
- Receive permanent relocation assistance and payments consistent with the URA instead of returning to the completed RAD project.

You must inform us of your choice within 30 days.

However, **you do not need to move now.** If you choose temporary relocation assistance, you will not be required to move sooner than 30 days after you receive notice that a temporary unit is available for you. If you choose permanent relocation assistance, you will not be required to move sooner than 90 days after you receive written notice that at least one comparable replacement unit is available to you in accordance with 49 CFR 24.204(a). *[Note to PHA: These time periods may start running as of the date of this Notice if the notice of relocation includes such information on the temporary and/or comparable replacement dwelling options, as applicable. In such circumstance, add applicable sentences to adequately notify the resident. For example: This notice informs you that a temporary unit, listed below, has been made available to you and, if you choose this option, you will be required to move by [date no sooner than 30 days after notice]. This notice informs you*

that a comparable unit, listed below, has been made available to you and, if you choose this option, you will be required to move by [*date no sooner than 90 days after notice*].]

If you choose temporary relocation, your relocation exceeds one year and you qualify as a “displaced person” under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), you may become eligible for further relocation assistance and payments under URA.

NOTE: Aliens not lawfully present in the United States are not eligible for URA relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

If you choose to receive temporary relocation assistance, this assistance will include:

- Payment for Moving Expenses. You are entitled to be reimbursed for all reasonable out-of-pocket expenses incurred in connection with any temporary move. [*PHA should list the form of payment for moving expenses selected in accordance with Appendix 1, Section 4 of this Notice.*]
- The location of your temporary replacement unit is [*address*]. This temporary housing has been determined to be decent, safe and sanitary.
- [*List appropriate relocation advisory services and any other services and assistance provided.*]

If you elect to receive permanent relocation assistance, this assistance will include:

- Relocation Advisory Services. You are entitled to receive current and continuing information on available comparable replacement units and other assistance to help you find another home and prepare to move.
- Payment for Moving Expenses. [*PHA should list the form of payment for moving expenses selected in accordance with Appendix 1, Section 5 of this Notice.*]
- Replacement Housing Payment. You may be eligible for a replacement housing payment to rent or buy a replacement home. The payment is based on several factors including: (1) the monthly rent and cost of utility services for a comparable replacement unit, (2) the monthly rent and cost of utility services for your present unit, and (3) 30% of your average monthly gross household income. This payment is calculated on the difference between the old and new housing costs for a one-month period and multiplied by 42.
- [*PHA: list here any permanent relocation assistance offered, such as a Housing Choice Voucher.*]

- Listed below are three comparable replacement units that you may wish to consider for your replacement home. If you would like, we can arrange transportation for you to inspect these and other replacement units.

	Address	Rent & Utility Costs	Contact Info
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

We believe that the unit located at [address] is most representative of your original unit in the converting RAD project. The monthly rent and the estimated average monthly cost of utilities for this unit is [\$ amount] and it will be used to calculate your maximum replacement housing payment. Please contact us immediately if you believe this unit is not comparable to your original unit. We can explain our basis for selecting this unit as most representative of your original unit and discuss your concerns.

Based on the information you have provided about your income and the rent and utilities you now pay, you may be eligible for a maximum replacement housing payment of approximately [\$ (42 x monthly amount)], if you rent the unit identified above as the most comparable to your current home or rent another unit of equal cost.

Replacement housing payments are not adjusted to reflect future rent increases or changes in income. This is the maximum amount that you would be eligible to receive. If you rent a decent, safe and sanitary home where the monthly rent and average estimated utility costs are less than the comparable unit, your replacement housing payment will be based on the actual cost of that unit. All replacement housing payments must be paid in installments. Your payment will be paid in [#]__ installments.

You may choose to purchase (rather than rent) a decent, safe and sanitary replacement home. If you do, you would be eligible for a down-payment assistance payment which is equal to your maximum replacement housing payment, [\$amount.] *[PHAs should note that, at the agency's discretion, a down-payment assistance payment that is less than \$5,250 may be increased to any amount not to exceed \$5,250. (See 49 CFR 24.402(c)(1)).]* Let us know if you are interested in purchasing a replacement home and we will help you locate such housing.

Please note that all replacement housing must be inspected in order to ensure it is decent, safe and sanitary before any replacement housing payments are made.

If you have any questions about this notice and your eligibility for relocation assistance and payments, please contact [Name, Title, Address, Phone, Email Address] before you make any moving plans. He/she will assist you with your move to a new home and help ensure that you preserve your eligibility for all relocation payments to which you may be entitled.

Remember, do not move or commit to the purchase or lease of a replacement home before we have a chance to further discuss your eligibility for relocation assistance. This letter is important to you and should be retained.

Sincerely,

Print name:

Title:

Enclosure/s

NOTE: The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See 49 CFR 24.5 and Paragraph 2-3(J) of Handbook 1378.)

Appendix 5: SAMPLE NOTICE OF ELIGIBILITY FOR URA RELOCATION ASSISTANCE (For residents who have been temporarily relocated for more than a year)

***THIS IS A GUIDE FORM.
IT SHOULD BE REVISED TO REFLECT THE CIRCUMSTANCES.***

PHA Letterhead

(date)

Dear [*Resident*]:

The property you formerly occupied at [*address*] is participating in the Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. You have been temporarily relocated from that property since [*date*.] Your temporary relocation has exceeded one year.

It has been determined that you qualify as a "displaced person" according to the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). You are eligible for relocation assistance and payments under the URA.

You may choose to remain temporarily relocated and return to a unit in the RAD project once it is completed. It is currently estimated that you may return to the RAD project by [*date*]. If you choose to remain temporarily relocated, you will stay at your current location until the RAD project is completed.

Alternatively, you may choose permanent relocation assistance and payments for which you are eligible, as listed below. If you choose permanent relocation assistance, you give up your right to return to the completed RAD project. However, **you do not need to move now.** If you choose permanent relocation assistance instead of exercising your right to return to the completed RAD project, you will not be required to move sooner than 90 days from the date that at least one comparable replacement unit has been made available to you. [*Alternatively: You will not be required to move sooner than 90 days from the date of this notice, which informs you of a comparable replacement unit that has been made available for you.*]

This is your Notice of Eligibility for relocation assistance.

The effective date of your eligibility is [*insert date that relocation exceeds one year.*]

NOTE: Aliens not lawfully present in the United States are not eligible for URA relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

Enclosed is a brochure entitled, "Relocation Assistance to Tenants Displaced From Their Homes." Please read the brochure carefully. It explains your rights and provides additional information on eligibility for relocation payments and what you must do in order to receive these payments.

The relocation assistance to which you are entitled includes:

- Relocation Advisory Services. You are entitled to receive current and continuing information on available comparable replacement units and other assistance to help you find another home and prepare to move.
- Payment for Moving Expenses. [*PHA should list the form of payment for moving expenses selected in accordance with Appendix 1, Section 5 of this Notice.*] This is in addition to any amounts received to reimburse for any reasonable out-of-pocket expenses incurred in connection with the temporary move.
- Replacement Housing Payment. You may be eligible for a replacement housing payment to rent or buy a replacement home. The payment is based on several factors including: (1) the monthly rent and cost of utility services for a comparable replacement unit, (2) the monthly rent and cost of utility services for your present home, and (3) for low-income persons, 30 percent of your average monthly gross household income. This payment is calculated on the difference between the old and new housing costs for a one-month period and multiplied by 42.
- [*PHA list here any other relocation assistance offered the resident, such as Housing Choice Voucher .*]

Listed below are three comparable replacement units that you may wish to consider for your replacement home. If you would like, we can arrange transportation for you to inspect these and other replacement units.

	Address	Rent & Utility Costs	Contact Info
1.	<hr/>		
2.	<hr/>		
3.	<hr/>		

We believe that the unit located at [address] is most representative of the original unit you occupied in the converting RAD project. The monthly rent and the estimated average monthly cost of utilities for this unit is \$[amount] and it will be used to calculate your maximum replacement housing payment. Please contact us immediately if you believe this unit is not comparable to your original unit. We can explain our basis for selecting this unit as most representative of your original unit and discuss your concerns.

Based on the information you have provided about your income and the rent and utilities you now pay, you may be eligible for a maximum replacement housing payment of approximately \$ [42 x \$Amount], if you rent the unit identified above as the most comparable to your current home or rent another unit of equal cost.

Replacement housing payments are not adjusted to reflect future rent increases or changes in income. This is the maximum amount that you would be eligible to receive. If you rent a decent, safe and sanitary home where the monthly rent and average estimated utility costs are less than the comparable unit, your replacement housing payment will be based on the actual cost of that unit. All replacement housing payments must be paid in installments. Your payment will be paid in [#] installments.

Should you choose to purchase (rather than rent) a decent, safe and sanitary replacement home, you would be eligible for a downpayment assistance payment which is equal to your maximum replacement housing payment, [\$ amount] *[PHAs should note that, at the agency's discretion, a downpayment assistance payment that is less than \$5,250 may be increased to any amount not to exceed \$5,250. (See 49 CFR 24.402(c)(1)).]* Let us know if you are interested in purchasing a replacement home and we will help you locate such housing.

Please note that all replacement housing must be inspected in order to ensure it is decent, safe, and sanitary before any replacement housing payments are made.

If you have any questions about this notice and your eligibility for relocation assistance and payments, please contact [Name, Title, Address, Phone, Email Address] before you make any moving plans. He/she will assist you with your move to a new home and help ensure that you preserve your eligibility for any applicable relocation payments.

Remember, do not move or commit to the purchase or lease of a replacement home before we have a chance to further discuss your eligibility for relocation assistance. This letter is important to you and should be retained.

Sincerely,

Print Name:

Title:

Enclosure/s

NOTE: The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See 49 CFR 24.5 and Paragraph 2-3(J) of Handbook 1378.)

RESOLUTION NO. 11821

**RESOLUTION AUTHORIZING AN AMENDMENT TO THE PHILADELPHIA HOUSING
AUTHORITY MOVING TO WORK ("MTW") ANNUAL PLAN FOR MTW YEAR SIXTEEN**

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") administers a Moving to Work ("MTW") Demonstration Program and the Rental Assistance Demonstration Program ("RAD"); and

WHEREAS, HUD regulations for the RAD program require that approval for the conversion of units to RAD be brought before the Board of Commissioners as an amendment to the Annual MTW Plan; and

WHEREAS, PHA has identified two hundred three (203) PHA-owned long-term vacant scattered sites from which to transfer operating and capital assistance to four (4) non-profit development partners, which partners will use that funding to develop two hundred three (203) units of affordable rental housing and then receive operating assistance under the RAD Section 8 Unit Based Voucher Program; and

WHEREAS, PHA, in conjunction with Michaels Development Corporation, seeks to convert the Southwark Plaza, one of PHA's alternative management sites, and its 470 units to RAD; and

WHEREAS, PHA has provided resident leaders with the locations of the two hundred three (203) PHA-owned long-term vacant scattered sites and discussed with resident leadership the transfer of assistance to the four (4) non-profit development partners and the conversion of Southwark Plaza; and

WHEREAS, PHA has fulfilled the HUD requirement of providing opportunities for resident and public participation and comment on the Amended Annual Plan, including scheduling at least one (1) public hearing, by: 1) providing copies of the Amendment to the Plan on October 9, 2015; 2) holding an introductory meeting with Resident Leaders representing RAD Sites on October 14, 2015; 3) holding a meeting with resident leadership on October 27, 2015; 4) holding a public hearing on October 29, 2015; 5) posting the draft plan on PHA's website; and 6) making copies of the draft plan available at PHA site offices; and also has taken into consideration any comments received;

BE IT RESOLVED that the Board of Commissioners does hereby approve the Amendment to the MTW Year Sixteen Annual Plan, as distributed to the Board of Commissioners and referenced herein, and authorizes PHA's Chair and/or its President & CEO or his or her authorized designee(s) to take all steps necessary to finalize and secure HUD approval of, and to implement, the amendment.

I hereby certify that this was
APPROVED BY THE BOARD ON 11/19/15
Barton Gilman, General Counsel
ATTORNEY FOR PHA

**NOTICE OF PUBLIC HEARING AND PUBLIC COMMENT PERIOD
PHILADELPHIA HOUSING AUTHORITY**

The Philadelphia Housing Authority (PHA) is a participant in the Moving to Work Demonstration Program (MTW) pursuant to an Amended and Restated Moving to Work Agreement (MTW Agreement) with the U.S. Department of Housing and Urban Development (HUD). The MTW Agreement defines the terms and conditions under which PHA is a participant in the MTW Program and requires PHA to submit an MTW Annual Plan for HUD review and approval. PHA's MTW Annual Plan for Fiscal Year 2016 was originally submitted to HUD in January 2015, and approved by HUD in September 2015.

PHA is seeking public review and comments on a proposed amendment to the FY 2016 MTW Annual Plan concerning PHA's plans to convert certain public housing units to project-based assistance under the Rental Assistance Demonstration (RAD) program. The units consist of 203 vacant and uninhabitable scattered site public housing units as well as 470 public housing units managed by an Alternate Management Entity at Southwark Plaza Apartments (also known as Courtyard Apartments at Riverview). The proposed amendment provides information required by HUD concerning PHA's RAD conversion plans. The proposed amendment is incorporated in its entirety into the FY2016 MTW Annual Plan through an attachment entitled "Rental Assistance Demonstration Significant Amendment". It is available for public review and downloading on PHA's website at www.pha.phila.gov under the "Latest News" section or may be picked up at the following locations:

Housing Choice Voucher Program Office:

2850 Germantown Ave 1st & 2nd Floor

Scattered Sites Management Offices:

Abbottsford Homes - 3226 McMichael Street
Westpark Apartments - 4445 Holden Street
Spring Garden Apartments - 715 Brandywine Street

Wilson Park - 2500 Jackson Street
Fairhill Apartments - 2411 N. 11th Street

Public Housing Management Offices:

Bartram - 5404 Gibson Drive
Raymond Rosen - 2110 N. 23rd Street

Wilson Park - 2500 Jackson Street

PHA will conduct a Public Hearing on the proposed amendment. PHA residents, Housing Choice Voucher participants and the general public are invited to attend and provide comments at the Hearing and/or to submit written comments during the public comment period. The Public Hearing is scheduled for the following time and location:

**Thursday, October 29, 2015 at 4:00 P.M.
12 South 23rd Street, 6th Floor
Philadelphia, PA 19103**

The public comment period begins on October 6, 2015 at 12 noon and ends November 5, 2015 at 12 noon. All comments must be received at PHA's office by the end of the comment period. Please send written comments to:

Philadelphia Housing Authority
Office of Policy, Research and Enterprise Planning
Attention: MTW Plan Amendment Comment
12 South 23rd Street, Philadelphia, PA 19103

The Public Hearing is being held in an accessible location. If you require assistance, sign language interpreter or other accommodations, please call 215-684-5767. Please use the AT&T Relay Service for TTY.



**Certification of Consistency
with the Consolidated Plan****U.S. Department of Housing
and Urban Development**

I certify that the proposed activities/projects in the application are consistent with the jurisdiction's current, approved Consolidated Plan.
(Type or clearly print the following information:)

Applicant Name: Philadelphia Housing AuthorityProject Name: Moving to Work Annual Plan FY 2016 RAD Significant AmendmentLocation of the Project: The development and implementation of affordable housing and
economic development initiatives in Phila., in accord with the City's
ConPlan and AI. (2016 Consolidated Plan, adopted June, 2015)Name of the Federal
Program to which the
applicant is applying: HUD - Moving to Work DemonstrationName of
Certifying Jurisdiction: City of Philadelphia, Office of Housing & Community DevelopmentCertifying Official
of the Jurisdiction
Name: Melissa LongTitle: Deputy DirectorSignature: Date: 01/21/2016

Civil Rights Certification

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

Civil Rights Certification**Annual Certification and Board Resolution**

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioner, I approve the submission of the Plan for the PHA of which this document is a part and make the following certification and agreement with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing.

Philadelphia Housing Authority**PA002**

PHA Name

PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

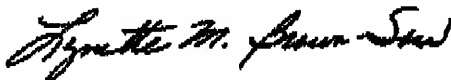
Name of Authorized Official

Lynette Brown-Sow

Title

Chair, Board of Commissioners

Signature

Date **01/15/2016**

APPENDIX H
RENTAL ASSISTANCE DEMONSTRATION (RAD) SIGNIFICANT AMENDMENT

Appendix H includes:

- RAD Significant Amendment #2 to FY 2016 MTW Plan
- Board Resolution Approving RAD Significant Amendment
- Public Comment Period and Hearing Notice
- Certification of Consistency with the Consolidated Plan
- Civil Rights Certification

Philadelphia Housing Authority
Fiscal Year 2016 Moving to Work Annual Plan
Rental Assistance Demonstration Significant Amendment #2

The Philadelphia Housing Authority (PHA) is issuing a second amendment to its Fiscal Year 2016 Moving to Work (MTW) Annual Plan as required by the US Department of Housing and Urban Development (HUD) to provide information on PHA's planned activities under the Rental Assistance Demonstration (RAD) program. Pursuant to this second amendment, PHA will convert certain vacant and uninhabitable, scattered site public housing units to project-based assistance under RAD, and transfer the project-based assistance to other new or existing developments as identified herein. This Significant Amendment #2 covers the RAD conversion and transfer of assistance of 276 units.

Background

In December 2013, the PHA Board of Commissioners authorized the submission of several applications to HUD under the RAD program. The Board's approval came after a series of public meetings were held to inform existing residents about the RAD program and their rights under a proposed RAD conversion.

In March 2015, HUD issued RAD award letters to PHA that approved the applications for RAD conversion, subject to PHA meeting all of the conditions and requirements of the RAD program. The award letters serve as HUD's Commitment to Enter into a Housing Assistance Payments Contract (CHAP) for the subject public housing developments. Accordingly, PHA intends to proceed with RAD conversion and transfer of assistance under the guidelines of PIH Notice 2012-32, REV-2 dated June 15, 2015 ("HUD RAD Notice") and any other successor Notices issued by HUD.

One of the conditions of the CHAP is that PHA submit a Significant Amendment to the MTW Annual Plan that incorporates required information on PHA's RAD conversion plans. This document provides the required information and serves as PHA's RAD Significant Amendment to the approved FY 2016 MTW Annual Plan for the subject units. Note also that PHA obtained PHA Board approval in November 2015 for a Significant Amendment #1 to the FY 2016 Plan, which is currently pending HUD approval. PHA intends to propose further Significant Amendment(s) for additional HUD-approved RAD conversions at future dates. PHA is providing a thirty-day public comment period and will conduct a Public Hearing to allow residents and the general public an opportunity to review and comment on the RAD Significant Amendment. Following this period, the PHA Board of Commissioners will conduct a vote on the RAD Significant Amendment at a public meeting.

RAD Conversion Plan

This Significant Amendment provides information on PHA's plans to convert public housing units to project-based assistance under RAD as follows:

A total of 276 scattered site public housing units owned by PHA that are currently vacant

and uninhabitable. The public housing assistance for these scattered site units will be converted to Project Based Voucher (PBV) assistance and transferred to six (6) developments owned either by PHA, a PHA subsidiary or a third party under the transfer of assistance provisions of the HUD RAD Notice.

Attachment 1 includes current information on each development or Asset Management Project (AMP) proposed for RAD conversion. Attachment 1 includes the following information:

<i>Current Units:</i>	Total number of units, bedroom size distribution and unit type.
<i>Post-Conversion Units:</i>	If applicable, any changes proposed to the current number of units, the bedroom size distribution or the unit type including de minimis reductions. No unit reductions are proposed under this Significant Amendment.
<i>Transfer of Assistance:</i>	Whether PHA intends to transfer assistance to another development as part of the RAD conversion and, if so, the location, number of units, bedroom size distribution, and unit type where known. As noted, all of the developments covered by this Significant Amendment involve transfer of assistance under RAD.
<i>PBV or PBRA:</i>	Whether PHA intends to convert the development to the Project Based Voucher (PBV) program or to the Project Based Rental Assistance (PBRA) program, along with information on resident rights, resident participation, waiting list and grievance procedures applicable to each program. PHA intends to convert assistance to the PBV program.
<i>Capital Fund Impact:</i>	The current amount of Capital Fund dollars received prior to RAD conversion. Developments converted through the RAD program are not eligible for Public Housing Capital Funds after conversion.
<i>Transfer of Waiting List:</i>	How existing waiting lists will be addressed as part of the conversion.

Conversion to Project Based Vouchers or Project Based Rental Assistance

Public housing developments that are converted to project-based assistance will no longer be subject to HUD rules and regulations pertaining to the public housing program. Upon conversion to RAD, the former public housing units will be subject to the rules and regulations pertaining to either the PBV or PBRA programs, depending on which program option is selected by PHA. HUD has modified the PBV and PBRA program rules and regulations to incorporate additional provisions that apply solely to units converted under RAD. These additional provisions provide important protections to current residents of public housing that are impacted by a RAD conversion.

PHA intends to convert the RAD units listed in Attachment 1 to the PBV program. As part of the conversion initiative, PHA will adopt all required RAD PBV rules except where MTW or

other waivers are approved by HUD, and will modify its existing Housing Choice Voucher Program Administrative Plan as needed to incorporate those rules related to resident rights, resident participation, waiting list, lease, waiting list, grievance processes and other areas.

Attachment 2 provides information on the RAD PBV program as required by the HUD RAD Notice and the HUD Joint Housing PIH Notice H-2014-9/PIH-2014-7 related to resident rights and participation, waiting list and grievance procedures.

Capital Fund Budget

Conversion of existing public housing developments under the RAD program will enable PHA to leverage existing funds to secure additional private and other funding. This new funding will be used to undertake long-deferred capital improvements and, in instances where transfer of assistance is involved, to construct or rehabilitate new or existing affordable housing units.

PHA currently receives HUD Capital Funds on an annual basis, subject to Congressional appropriations for the majority of its public housing units. Attachment 1 includes the FY 2015 Capital Fund allocation for each RAD conversion site. Upon conversion to RAD, PHA will no longer receive a Capital Fund allocation for units that have been converted and the annual Capital Fund grant will be decreased.

The total estimated reduction in PHA Capital Funds on an annual basis for the subject units covered under this Significant Amendment is \$816,163 based on FY2015 funding levels. Over a five year period, the estimated Capital Fund reduction is \$4,080,815 based on FY2015 funding levels. The actual amount of reduction may vary depending on Congressional appropriations. As RAD conversions are completed, PHA will modify its existing capital plans to reflect the reduction in funding and change in work scopes.

The RAD conversion will not impact PHA's existing Capital Fund Financing Program (CFFP) obligations. PHA currently projects that it will utilize an estimated \$3.46 million in Replacement Housing Funds (RHF) and \$12.61 million in MTW Block Grant or other available funds to support the RAD transfer of assistance to the 55-unit Strawberry Mansion development described in Attachment 1. Actual figures may vary based on the final financing plan.

Site and Neighborhood Standards

PHA has analyzed the replacement sites for the RAD conversions covered under this Significant Amendment that involve transfer of assistance. All proposed sites comply with the HUD Site and Neighborhood Standards as defined in 24 CFR 983 and the current MTW Site and Neighborhood Standards as defined in PHA's MTW Agreement.

Relocation Plan

Any necessary resident relocation related to RAD conversions will be performed in accordance with the HUD RAD Notice, HUD Joint Housing Notice H-2014-09/PIH-2014-17 and any other successor Notices issued by HUD; however, no resident relocation is anticipated under this Significant Amendment.

Compliance

PHA is not presently subject to a voluntary compliance agreement, consent order, consent decree, final judicial ruling or administrative ruling that has any relation to or impact on the planned RAD conversion.

Moving To Work

PHA may utilize MTW Block Grant fungibility and programmatic flexibility to support the RAD conversion effort subject to any necessary Board and HUD approvals. PHA certifies that regardless of any funding changes that may occur as a result of conversion under RAD, PHA will continue to administer and maintain service levels for its remaining portfolio of public housing units. PHA will do this by utilizing available funding including Public Housing Operating Fund, Capital Fund, and Tenant Rental Income.

Significant Amendment Definition

As part of the RAD conversion initiative, a Significant Amendment to the MTW Plan will not be required for the following RAD-specific actions:

- Changes to the Capital Fund budget produced as a result of each approved RAD conversion regardless of whether the proposed conversion will include use of additional Capital Funds;
- Decisions to apply MTW funding or programmatic flexibility to post-conversion RAD developments;
- Decisions or changes related to the ownership and/or financing structures for each approved RAD conversion including decisions to allocate PHA financial resources as a source of funds to support the RAD conversion initiatives;
- Changes to the construction and rehabilitation plans and scheduled for each approved RAD conversion;
- Changes to the project names or sponsor entity names;
- Changes in the post-conversion bedroom size distribution and/or the number of de minimis unit reductions up to the 5% permitted under RAD program rules;
- Changes to the pre-conversion bedroom size distribution and/or the project or AMP from which transfer of assistance units will be converted; and,
- Decisions to convert to either Project Based Vouchers or Project Based Rental Assistance.

Philadelphia Housing Authority
Fiscal Year 2016 Moving to Work Annual Plan Amendment
Rental Assistance Demonstration Significant Amendment #2
Attachment 1 – Information on Public Housing Developments to be Converted

The following pages provide required information on each development and/or Asset Management Project (AMP) to be converted from public housing assistance to Project Based Voucher (PBV) assistance under the Rental Assistance Demonstration (RAD) program.

RAD Significant Amendment Attachment 1

Development Name	Ludlow Scattered Sites
PIC Development ID #	PA002000907
Conversion Type (PBV or PBRA)	PBV
Capital Fund Grant (FY15)	136,257
Pre-Conversion Total Units	49
Pre-Conversion Unit Type	Family
Pre-Conversion Bedroom Size	
	# of Units
0 BR	0
1 BR	0
2 BR	2
3 BR	11
4 BR	10
5 BR	20
6 BR	6
Post-Conversion Total Units	49 (Note that the post conversion site is an existing 75 unit housing development; however, only 49 transfer of assistance units will be covered under RAD)
Post-Conversion Unit Type	Family
Post-Conversion Development Name/Address	Lehigh Park I, 2600-2620 N. Lawrence Street, Philadelphia, and Lehigh Park II, 2622-2644 N. Lawrence Street, Philadelphia
Post-Conversion Sponsor	Hispanic Association of Contractors and Enterprises (HACE)
Post-Conversion Bedroom Size	
	# of Units
0 BR	0
1 BR	0
2 BR	41
3 BR	9
4 BR	0
5 BR	0
6 BR	0
Transfer of Assistance	Yes
De Minimis Reduction	N/A
Transfer of Waiting List	This is an existing, occupied development that will be rehabilitated. Existing residents who meet the PBV eligibility requirements will be assisted under the PBV Program. A new site-based waiting list will be established for the development. The owner will manage and maintain the site-based waiting list, including any PHA-approved selection preferences, in accordance with PHA's Housing Choice Voucher program Administrative Plan. PHA will post information on how to apply for the PBV site-based waiting list on the PHA website.

RAD Significant Amendment Attachment 1

Development Name	Kingsessing Scattered Sites
PIC Development ID #	PA002000903
Conversion Type (PBV or PBRA)	PBV
Capital Fund Grant (FY15)	87,850

Pre-Conversion Total Units	29
Pre-Conversion Unit Type	Family
Pre-Conversion Bedroom Size	

	# of Units
0 BR	0
1 BR	0
2 BR	0
3 BR	15
4 BR	8
5 BR	5
6 BR	1

Post-Conversion Total Units	29
Post-Conversion Unit Type	Family
Post-Conversion Development Name/Address	Norris Square Scattered Sites, various addresses in the Norris Square neighborhood of Philadelphia
Post-Conversion Sponsor	Norris Square Community Alliance
Post-Conversion Bedroom Size	

	# of Units
0 BR	0
1 BR	8
2 BR	13
3 BR	7
4 BR	0
5 BR	1
6 BR	0

Transfer of Assistance	Yes
De Minimis Reduction	N/A

Transfer of Waiting List	This is an existing, partially occupied development that will be rehabilitated. Existing residents who meet the PBV eligibility requirements will be assisted under the PBV Program. A new site-based waiting list will be established for the development. The owner will manage and maintain the site-based waiting list, including any PHA-approved selection preferences, in accordance with PHA's Housing Choice Voucher program Administrative Plan. PHA will post information on how to apply for the PBV site-based waiting list on the PHA website.
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RAD Significant Amendment Attachment 1

Development Name	Fairhill Square Scattered Sites, Francisville Scattered Sites, Susquehanna Scattered Sites, Strawberry Mansion Scattered Sites, Oxford Jefferson Scattered Sites
PIC Development ID #	PA002000905, PA002000906, PA002000908, PA002000909, PA002000910
Conversion Type (PBV or PBRA)	PBV
Capital Fund Grant (FY15)	144,352
Pre-Conversion Total Units	48
Pre-Conversion Unit Type	Family
Pre-Conversion Bedroom Size	# of Units
0 BR	0
1 BR	4
2 BR	20
3 BR	7
4 BR	1
5 BR	7
6 BR	9
Post-Conversion Total Units	48
Post-Conversion Unit Type	Family
Post-Conversion Development Name/Address	Haddington III Preservation Initiative, various addresses in the Haddington neighborhood of West Philadelphia
Post-Conversion Sponsor	Mission First Housing Group
Post-Conversion Bedroom Size	# of Units
0 BR	0
1 BR	0
2 BR	10
3 BR	30
4 BR	8
5 BR	0
6 BR	0
Transfer of Assistance	Yes
De Minimis Reduction	N/A
Transfer of Waiting List	This is an existing, occupied development that will be rehabilitated. Existing residents who meet the PBV eligibility requirements will be assisted under the PBV Program. A new site-based waiting list will be established for the development. The owner will manage and maintain the site-based waiting list, including any PHA-approved selection preferences, in accordance with PHA's Housing Choice Voucher program Administrative Plan. Subject to PHA review and approval, preferences for this site will be included for family self-sufficiency, victims of domestic violence, and veterans. PHA will post information on how to apply for the PBV site-based waiting list on the PHA website.

RAD Significant Amendment Attachment 1

Development Name	Haddington Scattered Sites, Mantua Scattered Sites, Fairhill Square Scattered Sites, Francisville Scattered Sites, Susquehanna Scattered Sites, Strawberry Mansion Scattered Sites, Oxford Jefferson Scattered Sites
PIC Development ID #	PA002000901, PA002000902, PA002000905, PA002000906, PA002000908, PA002000909, PA002000910
Conversion Type (PBV or PBRA)	PBV
Capital Fund Grant (FY15)	156,269
Pre-Conversion Total Units	52
Pre-Conversion Unit Type	Seniors
Pre-Conversion Bedroom Size	# of Units
0 BR	0
1 BR	0
2 BR	1
3 BR	4
4 BR	12
5 BR	30
6 BR	5
Post-Conversion Total Units	52
Post-Conversion Unit Type	Seniors
Post-Conversion Development Name/Address	St. John Neumann Place II, 2627 Mifflin Street, Philadelphia
Post-Conversion Sponsor	Office for Community Development of the Archdiocese of Philadelphia
	# of Units
0 BR	0
1 BR	52
2 BR	0
3 BR	0
4 BR	0
5 BR	0
6 BR	0
Transfer of Assistance	Yes
De Minimis Reduction	N/A
Transfer of Waiting List	This is a new construction project. A new site-based waiting list will be established for the development prior to the initial lease up. The owner will manage and maintain the site-based waiting list, including any PHA-approved selection preferences, in accordance with PHA's Housing Choice Voucher program Administrative Plan. PHA will post information on how to apply for the PBV site-based waiting list on the PHA website.

RAD Significant Amendment Attachment 1

Development Name	Strawberry Mansion Scattered Sites
PIC Development ID #	PA002000909
Conversion Type (PBV or PBRA)	PBV
Capital Fund Grant (FY15)	126,198

Pre-Conversion Total Units	42
Pre-Conversion Unit Type	Seniors
Pre-Conversion Bedroom Size	

	# of Units
0 BR	0
1 BR	0
2 BR	4
3 BR	6
4 BR	18
5 BR	14
6 BR	0

Post-Conversion Total Units	42
Post-Conversion Unit Type	Seniors
Post-Conversion Development Name/Address	NewCourtland at St. Bartholomews, Harbison Avenue and Cheltenham Avenue in Northeast Philadelphia
Post-Conversion Sponsor	NewCourtland Senior Services

	# of Units
0 BR	0
1 BR	42
2 BR	0
3 BR	0
4 BR	0
5 BR	0
6 BR	0

Transfer of Assistance	Yes
De Minimis Reduction	N/A
Transfer of Waiting List	This is a substantial rehabilitation development in a former school building. A new site-based waiting list will be established for the development prior to initial lease up. The owner will manage and maintain the site-based waiting list, including any PHA-approved selection preferences, in accordance with PHA's Housing Choice Voucher program Administrative Plan. PHA will post information on how to apply for the PBV site-based waiting list on the PHA website.

RAD Significant Amendment Attachment 1

Development Name	Oxford Jefferson Scattered Sites
PIC Development ID #	PA0020000910
Conversion Type (PBV or PBRA)	PBV
Capital Fund Grant (FY15)	165,237

Pre-Conversion Total Units	55
Pre-Conversion Unit Type	Family
Pre-Conversion Bedroom Size	

	# of Units
0 BR	0
1 BR	0
2 BR	2
3 BR	43
4 BR	8
5 BR	2
6 BR	0

Post-Conversion Total Units	55
Post-Conversion Unit Type	Family
Post-Conversion Development Name/Address	Strawberry Mansion, Strawberry Mansion neighborhood of North Philadelphia
Post-Conversion Sponsor	Philadelphia Housing Authority affiliate
Post-Conversion Bedroom Size	

	# of Units
0 BR	0
1 BR	8
2 BR	19
3 BR	24
4 BR	4
5 BR	0
6 BR	0

Transfer of Assistance	Yes
De Minimis Reduction	N/A

Transfer of Waiting List	This is a new construction project. A new site-based waiting list will be established for the development prior to the initial lease up. The owner will manage and maintain the site-based waiting list, including any PHA-approved selection preferences, in accordance with PHA's Housing Choice Voucher program Administrative Plan. PHA will post information on how to apply for the PBV site-based waiting list on the PHA website.
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**Fiscal Year 2016 Moving to Work Annual Plan Amendment
Rental Assistance Demonstration Significant Amendment #2
Attachment 2 – Project Based Voucher Program (PBV)**

Information on resident rights and participation, waiting list and grievance procedures for Rental Assistance Demonstration (RAD) program conversions to the Project Based Voucher (PBV) program are included in this attachment:

HUD PIH Notice 2012-32, REV-2 dated June 15, 2015, Sections 1.C and 1.D

HUD Joint Housing Notice H-2014-09/PIH-2014-17 in its entirety

C. PBV Resident Rights and Participation.

- 1. No Re-screening of Tenants upon Conversion.** Pursuant to the RAD statute, at conversion, current households are not subject to rescreening, income eligibility, or income targeting. Consequently, current households will be grandfathered for conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion. For example, a unit with a household that was over-income at time of conversion would continue to be treated as an assisted unit. Thus, 24 CFR § 982.201, concerning eligibility and targeting, will not apply for current households.²⁴ Once that remaining household moves out, the unit must be leased to an eligible family. MTW agencies may not alter this requirement.
- 2. Right to Return.** See section 1.4.A.4(b) regarding a resident's right to return.
- 3. Renewal of Lease.** Since publication of the PIH Notice 2012-32 Rev 1, the regulations under 24 CFR § 983.257(b)(3) have been amended requiring Project Owners to renew all leases upon lease expiration, unless cause exists. MTW agencies may not alter this requirement.
- 4. Phase-in of Tenant Rent Increases.** If a tenant's monthly rent increases by more than the greater of 10 percent or \$25 purely as a result of conversion, the rent increase will be phased in over 3 or 5 years. To implement this provision, HUD is specifying alternative requirements for section 3(a)(1) of the Act, as well as 24 CFR § 983.3 (definition of "total tenant payment" (TTP)) to the extent necessary to allow for the phase-in of tenant rent increases. A PHA must create a policy setting the length of the phase in period at three years, five years or a combination depending on circumstances. For example, a PHA may create a policy that uses a three year phase-in for smaller increases in rent and a five year phase-in for larger increases in rent. This policy must be in place at conversion and may not be modified after conversion.

²⁴ These protections (as well as all protections in this Notice for current households) apply when in order to facilitate repairs a household is relocated following the conversion and subsequently returns to the property, even if they are considered a "new admission" upon return.

The method described below explains the set percentage-based phase-in a Project Owner must follow according to the phase-in period established. For purposes of this section “standard TTP” refers to the TTP calculated in accordance with regulations at 24 CFR §5.628 and the “most recently paid TTP” refers to the TTP recorded on line 9j of the family’s most recent HUD Form 50058. If a family in a project converting from Public Housing to PBV was paying a flat rent immediately prior to conversion, the PHA should use the flat rent amount to calculate the phase-in amount for Year 1, as illustrated below.

Three Year Phase-in:

- Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 33% of difference between most recently paid TTP or flat rent and the standard TTP
- Year 2: Year 2 Annual Recertification (AR) and any Interim Recertification (IR) prior to Year 3 AR – 66% of difference between most recently paid TTP and the standard TTP
- Year 3: Year 3 AR and all subsequent recertifications – Full standard TTP

Five Year Phase in:

- Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 20% of difference between most recently paid TTP or flat rent and the standard TTP
- Year 2: Year 2 AR and any IR prior to Year 3 AR – 40% of difference between most recently paid TTP and the standard TTP
- Year 3: Year 3 AR and any IR prior to Year 4 AR – 60% of difference between most recently paid TTP and the standard TTP
- Year 4: Year 4 AR and any IR prior to Year 5 AR – 80% of difference between most recently paid TTP and the standard TTP
- Year 5 AR and all subsequent recertifications – Full standard TTP

Please Note: In either the three year phase-in or the five-year phase-in, once the standard TTP is equal to or less than the previous TTP, the phase-in ends and tenants will pay full TTP from that point forward. MTW agencies may not alter this requirement.

- 5. Family Self Sufficiency (FSS) and Resident Opportunities and Self Sufficiency Service Coordinator (ROSS-SC) programs.** Public Housing residents that are current FSS participants will continue to be eligible for FSS once their housing is converted under RAD, and PHAs will be allowed to use any remaining PH FSS funds, to serve those FSS participants who live in units converted by RAD. Due to the

program merger between PH FSS and HCV FSS that took place pursuant to the FY14 Appropriations Act (and was continued in the FY15 Appropriations Act), no special provisions are required to continue serving FSS participants that live in public housing units converting to PBV under RAD.

However, PHAs should note that there are certain FSS requirements (e.g. escrow calculation and escrow forfeitures) that apply differently depending on whether the FSS participant is a participant under the HCV program or a public housing resident, and PHAs must follow such requirements accordingly. All PHAs will be required to administer the FSS program in accordance with FSS regulations at 24 CFR Part 984, the participants' contracts of participation, and the alternative requirements established in the "Waivers and Alternative Requirements for the FSS Program" Federal Register notice, published on December 29, 2014, at 79 FR 78100.²⁵ Further, upon conversion to PBV, already escrowed funds for FSS participants shall be transferred into the HCV escrow account and be considered TBRA funds, thus reverting to the HAP account if forfeited by the FSS participant.

Current ROSS-SC grantees will be able to finish out their current ROSS-SC grants once their housing is converted under RAD. However, once the property is converted, it will no longer be eligible to be counted towards the unit count for future ROSS-SC grants, nor will its residents be eligible to be served by future ROSS-SC grants, which, by statute, can only serve public housing residents.

- 6. Resident Participation and Funding.** In accordance with Attachment 1B, residents of Covered Projects with converted PBV assistance will have the right to establish and operate a resident organization for the purpose of addressing issues related to their living environment and be eligible for resident participation funding.
- 7. Resident Procedural Rights.** The following items must be incorporated into both the Section 8 Administrative Plan and the Project Owner's lease, which includes the required tenancy addendum, as appropriate. Evidence of such incorporation may be requested by HUD for purposes of monitoring the program.

²⁵ The funding streams for the PH FSS Program and the HCV FSS Program were first merged pursuant to the FY 2014 appropriations act. As a result, PHAs can serve both PH residents and HCV participants, including PBV participants, with FSS funding awarded under the FY 2014 FSS Notice of Funding Availability (FSS NOFA) and any other NOFA under which the combination of funds remains in the applicable appropriations act. For PHAs that had managed both programs separately and now have a merged program, a conversion to PBV should not impact their FSS participants.

- i. **Termination Notification.** HUD is incorporating additional termination notification requirements to comply with section 6 of the Act for public housing projects that convert assistance under RAD. In addition to the regulations at 24 CFR § 983.257 related to Project Owner termination of tenancy and eviction (which MTW agencies may not alter) the termination procedure for RAD conversions to PBV will require that PHAs provide adequate written notice of termination of the lease which shall not be less than:
 - a. A reasonable period of time, but not to exceed 30 days:
 - i. If the health or safety of other tenants, PHA employees, or persons residing in the immediate vicinity of the premises is threatened; or
 - ii. In the event of any drug-related or violent criminal activity or any felony conviction;
 - b. 14 days in the case of nonpayment of rent; and
 - c. 30 days in any other case, except that if a State or local law provides for a shorter period of time, such shorter period shall apply.
- ii. **Grievance Process.** Pursuant to requirements in the RAD Statute, HUD is establishing additional procedural rights to comply with section 6 of the Act.

For issues related to tenancy and termination of assistance, PBV program rules require the Project Owner to provide an opportunity for an informal hearing, as outlined in 24 CFR § 982.555. RAD will specify alternative requirements for 24 CFR § 982.555(b) in part, which outlines when informal hearings are not required, to require that:

- a. In addition to reasons that require an opportunity for an informal hearing given in 24 CFR § 982.555(a)(1)(i)-(vi),²⁶ an opportunity for an informal hearing must be given to residents for any dispute that a resident may have with respect to a Project Owner action in accordance with the individual's lease or the contract administrator in accordance with RAD PBV requirements that adversely affect the resident's rights, obligations, welfare, or status.
 - i. For any hearing required under 24 CFR § 982.555(a)(1)(i)-(vi), the contract administrator will perform the hearing, as is the current standard in the program. The hearing officer must be selected in accordance with 24 CFR § 982.555(e)(4)(i).
 - ii. For any additional hearings required under RAD, the Project Owner will perform the hearing.

²⁶ § 982.555(a)(1)(iv) is not relevant to RAD as the tenant-based certificate has been repealed.

- b. There is no right to an informal hearing for class grievances or to disputes between residents not involving the Project Owner or contract administrator.
- c. The Project Owner gives residents notice of their ability to request an informal hearing as outlined in 24 CFR § 982.555(c)(1) for informal hearings that will address circumstances that fall outside of the scope of 24 CFR § 982.555(a)(1)(i)-(vi).
- d. The Project Owner provides opportunity for an informal hearing before an eviction.

Current PBV program rules require that hearing procedures must be outlined in the PHA's Section 8 Administrative Plan.

- 8. Earned Income Disregard (EID).** Tenants who are employed and are currently receiving the EID exclusion at the time of conversion will continue to receive the EID after conversion, in accordance with regulations at 24 CFR § 5.617. Upon the expiration of the EID for such families, the rent adjustment shall not be subject to rent phase-in, as described in Section 1.6.C.4; instead, the rent will automatically rise to the appropriate rent level based upon tenant income at that time.

Under the Housing Choice Voucher program, the EID exclusion is limited only to persons with disabilities (24 CFR § 5.617(b)). In order to allow all tenants (including non-disabled persons) who are employed and currently receiving the EID at the time of conversion to continue to benefit from this exclusion in the PBV project, the provision in section 5.617(b) limiting EID to disabled persons is waived. The waiver, and resulting alternative requirement, apply only to tenants receiving the EID at the time of conversion. No other tenant (e.g., tenants who at one time received the EID but are not receiving the EID exclusion at the time of conversion e.g., due to loss of employment; tenants that move into the property following conversion, etc.) is covered by this waiver.

- 9. Jobs Plus.** Jobs Plus grantees awarded FY14 and future funds that convert the Jobs Plus target projects(s) under RAD will be able to finish out their Jobs Plus period of performance at that site unless significant re-location and/or change in building occupancy is planned. If either is planned at the Jobs Plus target project(s), HUD may allow for a modification of the Jobs Plus work plan or may, at the Secretary's discretion, choose to end the Jobs Plus program at that project.

- 10. When Total Tenant Payment Exceeds Gross Rent.** Under normal PBV rules, the PHA may only select an occupied unit to be included under the PBV HAP contract if

the unit's occupants are eligible for housing assistance payments (24 CFR §983.53(d)). Also, a PHA must remove a unit from the contract when no assistance has been paid for 180 days because the family's TTP has risen to a level that is equal to or greater than the contract rent, plus any utility allowance, for the unit (i.e., the Gross Rent)) (24 CFR §983.258). Since the rent limitation under this Section of the Notice may often result in a family's TTP equaling or exceeding the gross rent for the unit, for current residents (i.e. residents living in the public housing property prior to conversion), HUD is waiving both of these provisions and requiring that the unit for such families be placed on and/or remain under the HAP contract when TTP equals or exceeds than the Gross Rent. Further, HUD is establishing the alternative requirement that the rent to owner for the unit equal the family's TTP until such time that the family is eligible for a housing assistance payment. HUD is waiving as necessary to implement this alternative provision, the provisions of Section 8(o)(13)(H) of the Act and the implementing regulations at 24 CFR 983.301 as modified by Section 1.6.B.5 of this Notice.²⁷ In such cases, the resident is considered a participant under the program and all of the family obligations and protections under RAD and PBV apply to the resident. Likewise, all requirements with respect to the unit, such as compliance with the HQS requirements, apply as long as the unit is under HAP contract. Assistance may subsequently be reinstated if the tenant becomes eligible for assistance. The PHA is required to process these individuals through the Form- 50058 submodule in PIC.

Following conversion, 24 CFR §983.53(d) applies, and any new families referred to the RAD PBV project must be initially eligible for a HAP payment at admission to the program, which means their TTP may not exceed the gross rent for the unit at that time. Further, a PHA must remove a unit from the contract when no assistance has been paid for 180 days. If units are removed from the HAP contract because a new admission's TTP comes to equal or exceed the gross rent for the unit and if the project is fully assisted, HUD is imposing an alternative requirement that the PHA must reinstate the unit after the family has vacated the property; and, if the project is partially assisted, the PHA may substitute a different unit for the unit on the HAP contract in accordance with 24 CFR §983.207 or, where "floating" units have been permitted, Section 1.6.B.10 of this Notice.

²⁷ For example, a public housing family residing in a property converting under RAD has a TTP of \$600. The property has an initial Contract Rent of \$500, with a \$50 Utility Allowance. Following conversion, the residents is still responsible for paying \$600 in tenant rent and utilities.

11. Under-Occupied Unit. If a family is in an under-occupied unit under 24 CFR 983.259 at the time of conversion, the family may remain in this unit until an appropriate-sized unit becomes available in the Covered Project. When an appropriate sized unit becomes available in the Covered Project, the family living in the under-occupied unit must move to the appropriate-sized unit within a reasonable period of time, as determined by the administering Voucher Agency. In order to allow the family to remain in the under-occupied unit until an appropriate-sized unit becomes available in the Covered Project, 24 CFR 983.259 is waived. MTW agencies may not modify this requirement.

D. PBV: Other Miscellaneous Provisions

- 1. Access to Records, Including Requests for Information Related to Evaluation of Demonstration.** PHAs must agree to any reasonable HUD request for data to support program evaluation, including but not limited to project financial statements, operating data, Choice-Mobility utilization, and rehabilitation work. Please see Appendix IV for reporting units in Form HUD-50058.
- 2. Additional Monitoring Requirement.** The PHA's Board must approve the operating budget for the Covered Project annually in accordance with HUD requirements.²⁸
- 3. Davis-Bacon Act and Section 3 of the Housing and Urban Development Act of 1968 (Section 3).** This section has been moved to 1.4.A.13 and 1.4.A.14.
- 4. Establishment of Waiting List.** 24 CFR § 983.251 sets out PBV program requirements related to establishing and maintaining a voucher-wide, PBV program-wide, or site-based waiting list from which residents for the Covered Project will be admitted. These provisions will apply unless the project is covered by a remedial order or agreement that specifies the type of waiting list and other waiting list policies. The PHA shall consider the best means to transition applicants from the current public housing waiting list, including:
 - i.** Transferring an existing site-based waiting list to a new site-based waiting list. If the PHA is transferring the assistance to another neighborhood, the PHA must notify applicants on the wait-list of the transfer of assistance, and on how they can apply for residency at the new project site or other sites. Applicants on a project-specific waiting list for a project where the assistance is being

²⁸ For PBV conversions that are not FHA-insured, a future HUD notice will describe project financial data that may be required to be submitted by a PBV owner for purposes of the evaluation, given that PBV projects do not submit annual financial statements to HUD/REAC.

transferred shall have priority on the newly formed waiting list for the new project site in accordance with the date and time of their application to the original project's waiting list.

- ii. Informing applicants on the site-based waiting list on how to apply for a PBV program-wide or HCV program-wide waiting list.
- iii. Informing applicants on a public housing community-wide waiting list on how to apply for a voucher-wide, PBV program-wide, or site-based waiting list. If using a site-based waiting list, PHAs shall establish a waiting list in accordance with 24 CFR § 903.7(b)(2)(ii)-(iv) to ensure that applicants on the PHA's public housing community-wide waiting list have been offered placement on the converted project's initial waiting list. In all cases, PHAs have the discretion to determine the most appropriate means of informing applicants on the public housing community-wide waiting list given the number of applicants, PHA resources, and admissions requirements of the projects being converted under RAD. A PHA may consider contacting every applicant on the public housing waiting list via direct mailing; advertising the availability of housing to the population that is less likely to apply, both minority and non-minority groups, through various forms of media (e.g., radio stations, posters, newspapers) within the marketing area; informing local non-profit entities and advocacy groups (e.g., disability rights groups); and conducting other outreach as appropriate. Applicants on the agency's public housing community-wide waiting list who wish to be placed onto the newly-established site-based waiting list must be done so in accordance with the date and time of their original application to the centralized public housing waiting list. Any activities to contact applicants on the public housing waiting list must be conducted in accordance with the requirements for effective communication with persons with disabilities at 24 CFR § 8.6 and with the obligation to provide meaningful access for persons with limited English proficiency (LEP).²⁹

A PHA must maintain any site-based waiting list in accordance with all applicable civil rights and fair housing laws and regulations unless the project is covered by a remedial order or agreement that specifies the type of waiting list and other waiting list policies.

To implement this provision, HUD is specifying alternative requirements for 24 CFR § 983.251(c)(2). However, after the initial waiting list has been established, the PHA

²⁹ For more information on serving persons with LEP, please see HUD's Final guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (72 FR 2732), published on January 22, 2007.

shall administer its waiting list for the converted project in accordance with 24 CFR § 983.251(c).

- 5. Mandatory Insurance Coverage.** The Covered Project shall maintain at all times commercially available property and liability insurance to protect the project from financial loss and, to the extent insurance proceeds permit, promptly restore, reconstruct, and/or repair any damaged or destroyed project property.
- 6. Agreement Waiver.** This section has been moved to 1.6.(B)(7).
- 7. Future Refinancing.** Project Owners must receive HUD approval for any refinancing or restructuring of permanent debt during the HAP contract term, to ensure the financing is consistent with long-term preservation. (Current lenders and investors are also likely to require review and approval of refinancing of the primary permanent debt.)
- 8. Administrative Fees for Public Housing Conversions during Transition Period.** For the remainder of the Calendar Year in which the HAP Contract is effective (i.e. “transition period”), RAD PBV projects will be funded with public housing funds. For example, if the project’s assistance converts effective July 1, 2015, the public housing Annual Contributions Contract (ACC) between the PHA and HUD will be amended to reflect the number of units under HAP contract, but will be for zero dollars, and the RAD PBV contract will be funded with public housing money for July through December 2015. Since TBRA is not the source of funds, PHAs should not report leasing and expenses into VMS during this period, and PHAs will not receive section 8 administrative fee funding for converted units during this time. .

For fiscal years 2014 and 2015, PHAs operating HCV program received administrative fees for units under a HAP contract, consistent with recent appropriation act references to "section 8(q) of the [United States Housing Act of 1937] and related appropriations act provisions in effect immediately before the Quality Housing and Responsibility Act of 1998" and 24 CFR § 982.152(b). During the transition period mentioned in the preceding paragraph, these provisions are waived, and PHAs will not receive section 8 ongoing administrative fees for PBV RAD units.

After this transition period, the section 8 ACC will be amended to include section 8 funding that corresponds to the units covered by the section 8 ACC. At that time, the regular section 8 administrative fee funding provisions will apply.

- 9. Choice-Mobility.** One of the key features of the PBV program is the mobility component, which provides that if the family has elected to terminate the assisted lease at any time after the first year of occupancy in accordance with program requirements, the PHA must offer the family the opportunity for continued tenant-based rental assistance, in the form of either assistance under the voucher program or other comparable tenant-based rental assistance.

If as a result of participation in RAD a significant percentage of the PHA's HCV program becomes PBV assistance, it is possible for most or all of a PHA's turnover vouchers to be used to assist those RAD PBV families who wish to exercise mobility. While HUD is committed to ensuring mobility remains a cornerstone of RAD policy, HUD recognizes that it remains important for the PHA to still be able to use tenant-based vouchers to address the specific housing needs and priorities of the community. Therefore, HUD is establishing an alternative requirement for PHAs where, as a result of RAD, the total number of PBV units (including RAD PBV units) under HAP contract administered by the PHA exceeds 20 percent of the PHA's authorized units under its HCV ACC with HUD.

The alternative mobility policy provides that an eligible voucher agency would not be required to provide more than three-quarters of its turnover vouchers in any single year to the residents of Covered Projects. While a voucher agency is not required to establish a voucher inventory turnover cap, if such a cap is implemented, the voucher agency must create and maintain a waiting list in the order in which the requests from eligible households were received. In order to adopt this provision, this alternative mobility policy must be included in an eligible PHA's administrative plan.

To effectuate this provision, HUD is providing an alternative requirement to Section 8(o)(13)(E) and 24 CFR part 983.261(c). Please note that this alternative requirement does not apply to PBVs entered into outside of the context of RAD. MTW agencies may not alter this requirement.

- 10. Reserve for Replacement.** The Project Owner shall establish and maintain a replacement reserve in an interest-bearing account to aid in funding extraordinary maintenance and repair and replacement of capital items in accordance with applicable regulations. The reserve must be built up to and maintained at a level determined by HUD to be sufficient to meet projected requirements. For FHA transactions, Replacement Reserves shall be maintained in accordance with the FHA Regulatory Agreement. For all other transactions, Replacement Reserves shall be maintained in a bank account covered under a General Depository Agreement (HUD-51999) or similar instrument, as approved by HUD, where funds will be held by the

Project Owner or mortgagee and may be drawn from the reserve account and used subject to HUD guidelines and as directed by HUD.



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

ASSISTANT SECRETARY FOR HOUSING-
FEDERAL HOUSING COMMISSIONER

Special Attention of:

Public Housing Agencies
Public Housing Hub Office Directors
Public Housing Program Center Directors
Regional Directors
Field Office Directors
RAD Transaction Managers

Notice H 2014-09

PIH 2014-17

Issued: July 14, 2014

This notice remains in effect until amended,
superseded, or rescinded.

Cross Reference: PIH Notice 2012-32 (HA)
REV 1

Subject: Relocation Requirements under the Rental Assistance Demonstration (RAD) Program, Public Housing in the First Component

1. Purpose

This Notice provides public housing agencies (PHAs)¹ and their partners with information and resources on applicable program and relocation assistance requirements when planning for or implementing resident moves as a result of a **Rental Assistance Demonstration (RAD)** conversion² under the first component of the demonstration.³ This Notice provides guidance on RAD relocation requirements and requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (URA), as they relate to the public housing conversion process under the first component.⁴

¹ This Notice always uses the term “PHA” to refer to the owner of the project prior to and after the RAD conversion, even though, in some cases, the owner of the converted RAD project may be another public entity, a non-profit organization, or other owner (e.g., low-income housing tax credit owner). In addition, this Notice uses “PHA” to refer to the “displacing agency,” a URA term that means the agency or person that carries out a program or project, which will cause a resident to become a displaced person. Projects vary and, for any specific task described in this Notice, may require substituting in a reference to a party that is more appropriate for a specific project.

² The content of this Notice should not be relied upon in carrying out any other activities funded under any other HUD program, except where specifically directed by HUD.

³ The “first component” of RAD allows public housing and Moderate Rehabilitation properties to convert assistance; the “second component” refers to conversion of Rent Supplement, Rental Assistance Payment, and Moderate Rehabilitation properties upon contract expiration or termination.

⁴ Relocation concerns and URA requirements apply to both components of RAD. This notice provides guidance only as to the first component.

Relocation assistance provided pursuant to public housing and RAD requirements is broader than URA relocation assistance requirements. Not all specific situations requiring relocation under RAD may trigger URA assistance requirements. In addition, whereas all qualifying residents⁵ of a converting public housing project are eligible for relocation assistance under RAD, some residents or household members may not meet the statutory and regulatory requirements for eligibility under URA. This Notice supersedes PIH Notice 2012-32 (HA), REV-1, with respect to relocation matters. This Notice also specifically addresses when relocation may begin (see Section 9 below). As necessary, the Department will issue additional guidance on relocation issues and requirements as they relate to RAD.

2. Background

RAD allows public housing properties to convert assistance to long-term project-based Section 8 contracts. In many cases, a RAD project may require relocation of residents when properties undergo repairs, are demolished and rebuilt, or when the assistance is transferred to another site. PIH Notice 2012-32 REV-1 (see also FR Notice 5630-N-05, 78 FR 39759-39763 (July 2, 2013)) details RAD program requirements.

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (URA) is a federal law that establishes minimum standards for federally-funded programs and projects that include the acquisition of real property (real estate) and/or displace persons from their homes, businesses, or farms as a result of acquisition, rehabilitation, or demolition of real property.⁶ The URA will apply to acquisitions of real property and relocation of persons from real property that occurs as a direct result of acquisition, rehabilitation, or demolition for a project that involves conversion of assistance to Project-Based Voucher (PBV) or Project-Based Rental Assistance (PBRA) programs under RAD.

Additionally, all relocation conducted as part of a RAD conversion and all relocation assistance provided under URA must be consistent with applicable fair housing and civil rights laws, including, but not limited to, the Fair Housing Act, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973.

Because each RAD proposal varies in its scope, this Notice may not address each PHA's specific circumstances. RAD PHAs and participants should carefully review the regulations, notices, and guidance material referenced in this Notice. Any questions related to the applicability of these requirements should be referred to the RAD Transaction Managers (TM) or may be emailed to rad@hud.gov.

3. Applicable Legal Authorities

⁵ The term "resident" as used in this Notice refers to eligible resident families of public housing residing in a property applying for participation in RAD or a property that undergoes a conversion of assistance through RAD.

⁶ HUD Handbook 1378 (Tenant Assistance, Relocation, and Real Property Acquisition), available at: http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/library/relocation/policyandguidance/handbook1378.

- RAD: Consolidated and Further Continuing Appropriations Act of 2012 (Public Law 112-55, approved November 18, 2011), with the implementing PIH Notice 2012-32, REV-1
- URA statute and implementing regulations: 49 CFR part 24
- FHEO: Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Fair Housing Act
- Section 104(d) of the Housing and Community Development Act of 1974, statute and implementing regulations (if CDBG and/or HOME funds are used): 24 CFR part 42, subpart C

4. Relocation Planning

If there is a possibility that residents will be relocated as a result of acquisition, demolition, or rehabilitation for a project converting under RAD, PHAs must undertake a planning process in conformance with URA in order to minimize the adverse impact of relocation (49 CFR 24.205(a)).

While a written Relocation Plan is not a requirement under RAD or URA, the Department strongly encourages PHAs to prepare a written Relocation Plan, both to establish their relocation process and to communicate this process consistently and effectively to all relevant stakeholders. Appendix 1 contains recommended elements of a Relocation Plan.

The following presents a general sequencing of relocation planning activities within the RAD milestones:

Stage	Activities
1. Prior to submission of RAD application	<ul style="list-style-type: none"> • Determine potential need for relocation • Meet with residents to discuss plans, communicate right to return, and solicit feedback • Provide <i>General Information Notice</i> (GIN) to residents • Survey residents to prepare Relocation Plan and relocation process cost estimate
2. After receipt of the Commitment to Enter into a HAP Contract (CHAP) Award	<ul style="list-style-type: none"> • Prepare Significant Amendment to PHA Plan • Assess and refine need for relocation • Develop a Relocation Plan (See Appendix 1 for recommended content) • Identify relocation housing options
3. Preparing Financing Plan (due to RAD Transaction Manager no later than 180 days following	<ul style="list-style-type: none"> • Budget for relocation expenses • Submit FHEO Accessibility & Relocation checklist (PHAs may submit Relocation Plan along with checklist)

Stage	Activities
CHAP award)	
4. Receipt of RAD Conversion Commitment (RCC)	<ul style="list-style-type: none"> • The date of issuance of the HUD RCC marks the date of “Initiation of Negotiations” (ION), as defined in the URA (49 CFR 24.2(a)(15)) • Provide residents with appropriate notice informing them if they will be relocated and any associated relocation assistance • Meet with residents to describe approved conversion plans and discuss required relocation
5. Closing/RAD conversion	<ul style="list-style-type: none"> • Generally, resident relocation should not begin until after the date of closing/conversion of assistance under RAD • PHAs must adhere to notification requirements (described in Paragraph 8 of this Notice): generally, a minimum of 30 days for residents to be temporarily relocated for up to a year, and 90 days for permanent relocation • PHAs seeking to move residents prior to closing must receive prior approval from HUD as described in Paragraph 9 of this Notice

5. Resident Right to Return

RAD program rules prohibit the permanent involuntary relocation of residents as a result of conversion. Residents that are temporarily relocated retain the right to return to the project once it has been completed and is in decent, safe, and sanitary conditions.⁷ The period during which residents may need to be temporarily relocated is determined by the period of rehabilitation or construction, which will be specific to each project.

If proposed plans for a project would preclude a resident from returning to the RAD project, the resident must be given an opportunity to comment and/or object to such plans. If the resident objects to such plans, the PHA must alter the project plans to accommodate the resident in the converted project. If a resident agrees to such plans, the PHA must secure informed, written consent from the resident to receive permanent relocation assistance and payments consistent with URA and acknowledge that acceptance of such assistance terminates the resident’s right to return to the project. In obtaining this consent, PHAs must inform residents of their right to return, potential relocation, and temporary and permanent housing options at least 30 days before residents must make a decision. The PHA cannot employ any tactics to pressure residents into

⁷ Where the transfer of assistance to a new site is approved, residents of the converting project will have the right to reside in an assisted unit at the new site once rehabilitation or new construction is complete.

relinquishing their right to return or accepting permanent relocation assistance and payments.⁸ A PHA may not terminate a resident's lease if it fails to obtain this consent.

PHAs must keep documentation of such information provided to residents and such consent by residents. While HUD does not require PHAs to submit documentation of obtaining this consent, PHAs and participants must properly brief residents on their housing and relocation options and must keep auditable written records of such consultation and decisions. HUD may request this documentation during a review of the FHEO Relocation and Accessibility Checklist or if relocation concerns arise.

Examples of project plans that may preclude a resident from returning to the converted RAD project include, but are not limited to:

- Changes in bedroom distribution (i.e. when larger units will be replaced with smaller units such that current residents would become under-housed or when smaller units will be replaced with larger units such that current residents would become over-housed);
- Where a PHA is reducing the number of assisted units at a property by a de minimis amount⁹, but those units are occupied by assisted residents; or
- The reconfiguration of efficiency apartments, or the repurposing of dwelling units in order to facilitate social service delivery.

In all scenarios where residents voluntarily accept permanent relocation to accommodate project plans, these residents are eligible for permanent relocation assistance and payments under URA. If a resident accepts permanent relocation assistance, the resident surrenders his or her right to return to the completed project.

6. Relocation Assistance

Under RAD, relocation assistance may vary depending on the length of time relocation is required.¹⁰

- a. In instances when the PHA anticipates that a resident will be relocated for more than a year, the PHA must offer the resident the choice of:
 - Permanent relocation assistance and payments at URA levels; or
 - Temporary relocation assistance, including temporary housing, while the resident retains his or her right to return and reimbursement for all reasonable out-of-pocket expenses associated with the temporary relocation.

⁸ Persons with disabilities returning to the RAD project may not be turned away or placed on a waiting list due to a lack of accessible units. Their accessibility needs must be accommodated.

⁹ A reduction in total number of assisted units at RAD project of 5% or less. (Section 1.5.B of PIH 2012-32 REV-1)

¹⁰ Some residents may not qualify for relocation assistance under URA. A nonexclusive listing of persons who do not qualify as displaced persons under URA is at 49 CFR 24.2(a)(9)(ii). See also, Paragraph 1-4(J) of HUD Handbook 1378.

The PHA must give the resident no less than 30 days to decide between permanent and temporary relocation assistance. If the resident elects to permanently relocate with assistance at URA levels, the PHA must inform the resident that his or her acceptance of permanent relocation assistance terminates the resident's right to return to the completed RAD project.

- b. In instances when a resident elects temporary relocation assistance and reoccupies a unit in the completed project within one year, the resident need not be offered permanent relocation assistance pursuant to URA.

Great care must be exercised to ensure that residents are treated fairly and equitably. If a resident is required to relocate temporarily in connection with the project, his or her temporarily occupied housing must be decent, safe, and sanitary and the resident must be reimbursed for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation. These expenses include, but are not limited to, moving expenses and increased housing costs during the temporary relocation.

- c. In the event that a resident elects to receive temporary relocation assistance and the temporary relocation exceeds one year, the resident becomes eligible for all permanent relocation assistance and payments under URA. (This assistance would be in addition to any assistance the person has already received for temporary relocation, and may not be reduced by the amount of any temporary relocation assistance.) In such event, the PHA shall give the resident the opportunity to choose to remain temporarily relocated for an agreed-to period (based on new information about when they can return to the completed RAD unit), or choose to permanently relocate with URA assistance.

PHAs may not propose or request that a displaced person waive rights or entitlements to relocation assistance under the URA. If the resident elects to permanently relocate with URA assistance, the PHA must inform the person that the person's acceptance of URA relocation assistance to permanently relocate will terminate the person's right to return to the completed RAD project. Conversely, unless and until the resident elects to be permanently relocated, the resident may remain temporarily relocated with a right to return to the completed project.

7. Initiation of Negotiations (ION) Date

Eligibility for URA relocation assistance is generally effective on the date of initiation of negotiations (ION) (49 CFR 24.2(a)(15)). For RAD projects, the ION date is the date of the issuance of the RAD Conversion Commitment (RCC).

8. Resident Notification

When a project converting under RAD will include relocation of residents, notice must be provided to those resident households. For each notice listed below, one notice shall be given to each resident household. The purpose of these notifications is to ensure that residents are

informed of their potential rights and the relocation assistance available to them. During initial meetings with residents about RAD and in subsequent communications with residents related to relocation, the PHA should inform residents that if they choose to move after receiving a written GIN, but prior to receiving a RAD Notice of Relocation, they may jeopardize their eligibility for relocation assistance. However, PHAs should note that a resident move undertaken as a direct result of the project may still require relocation assistance and the resident may be eligible to receive permanent relocation assistance under the URA even though the PHA has not yet issued notices.

a. *General Information Notice* (49 CFR 24.203(a) & Handbook 1378, Paragraph 2-3(B))

As soon as feasible in the planning process, the PHA must provide each resident with a written GIN (see sample in Appendix 2) to provide a general description of the project, the activities planned, and the relocation assistance that may become available. URA regulations state that the GIN should be provided *as soon as feasible*. Under RAD, PHAs must provide GINs during the initial RAD resident meetings, before submitting a RAD application. GINs must do at least the following:

- Inform the resident that he or she may be displaced for the project and generally describe the relocation payment(s) for which the resident may be eligible, the basic conditions of eligibility, and the procedures for obtaining the payment(s);
- Inform the resident that he or she will be given reasonable relocation advisory services, including referrals to replacement properties, help in filing payment claims, and other necessary assistance to help the resident successfully relocate;
- Inform the resident that, if he or she qualifies for relocation assistance as a displaced person under the URA, he or she will not be required to move without at least 90 days advance written notice, and inform any person to be displaced from a dwelling that he or she cannot be required to move permanently unless at least one comparable replacement dwelling has been made available;
- Inform the resident that any person who is an alien not lawfully present in the United States is ineligible for relocation advisory services and relocation payments, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child (see 49 CFR 24.208(h) for additional information); and
- Describe the resident's right to appeal the PHA's determination as to a person's eligibility for URA assistance.

b. *RAD Notice of Relocation*

If a resident will be relocated to facilitate the RAD conversion, the PHA shall provide notice of such relocation (RAD Notice of Relocation). The PHA shall issue this notice upon the PHA's receipt of the RCC from HUD, which is the ION date.

If residents will not be relocated, notice of relocation is not required, but the PHA should

notify them that they are not being relocated.¹¹

The RAD Notice of Relocation must conform to the following requirements:

- The notice must state the anticipated duration of the resident's relocation.
- PHAs must provide this notice a minimum of 30 days prior to relocation to residents who will be temporarily relocated.¹² Longer notice may be appropriate for persons who will be relocated for an extended period of time (over 6 months), or if necessary due to personal needs or circumstances.
- Residents whose temporary relocation is anticipated to exceed one year must be informed that they will have no less than 30 days to elect temporary or permanent relocation as described in Section 6 of this Notice. When timing is critical for project completion, the 30-day decision period can run concurrently with the 30-day notice period for temporary relocation and with the 90-day period for permanent relocation if the PHA makes available comparable replacement dwellings consistent with 24.204(a).
- Residents who will be permanently relocated must receive written notice a minimum of 90 days prior to relocation. This 90-day time period may only begin once the PHA has made available at least one comparable replacement dwelling consistent with 49 CFR 24.204(a).¹³
- The notice must describe the available relocation assistance, the estimated amount of assistance based on the individual circumstances and needs, and the procedures for obtaining the assistance. The notice must be specific to the resident and his or her situation so that the resident will have a clear understanding of the type and amount of payments and/or other assistance the resident household may be entitled to claim.
- The notice must explain the reasonable terms and conditions under which the resident may continue to lease and occupy a unit in the completed project.
- The notice must state that the PHA will reimburse the resident for all reasonable out-of-pocket expenses incurred in connection with any temporary move. These expenses include, but are not limited to, moving expenses and increased housing costs (rent, utilities, etc.).

c. *Notice of Intent to Acquire* (49 CFR 24.203(d))

¹¹ HUD policy generally requires a "notice of non-displacement" in certain instances; the RAD program does not require this notice. Although the scope of this notice is limited to guidance for projects requiring relocation, PHAs should note, however, that there may be notification requirements for projects that do not involve relocation. The RAD conversion will terminate the resident's public housing lease and commence a PBV or PBRA lease, even when there is no relocation required. In such instances, state law may impose certain notification requirements. In addition, public housing regulations generally require 30 days' notice prior to lease termination. PHAs are encouraged to review public housing requirements set forth in 24 CFR parts 5 and 966.

¹² HUD may approve shorter notice periods based on an urgent need due to danger, health, or safety issues or if the person will be temporarily relocated for only a short period.

¹³ PHAs should note that URA regulations also require, where possible, that three or more comparable replacement dwellings be made available before a resident is required to move from his or her unit.

For RAD projects involving acquisition, residents may be provided with a notice of intent to acquire (“*Notice of Intent to Acquire*”) prior to the ION date with HUD’s prior approval. Once the Notice of Intent to Acquire is provided, a resident’s eligibility for relocation assistance and payments is established. Therefore, the RAD Notice of Relocation must be provided in conjunction with or after the Notice of Intent to Acquire. A RAD Notice of Relocation would not otherwise be sent prior to the ION date.

Since residents who accept permanent relocation must receive 90 days advanced written notice prior to being required to move, providing residents the Notice of Intent to Acquire and RAD Notice of Relocation prior to the ION date may be necessary to provide sufficient notice of relocation to a resident in instances where there may not be 90 days between the issuance of the RCC (ION date) and the anticipated closing date. This allows the PHA to issue the notice earlier so that relocation may begin upon closing. This allows program participants to conduct orderly relocation upon closing, minimize adverse impacts on displaced persons, and to expedite project advancement and completion.¹⁴

- d. *URA Notice of Relocation Eligibility – for residents whose temporary relocation exceeds one year* (49 CFR 24.203(b) & Handbook 1378, Paragraph 2-3(C))

After a resident has been temporarily relocated for one year, the PHA must provide a notice of relocation eligibility in accordance with URA requirements (“*Notice of Relocation Eligibility*”). This notice is not required if the resident has already accepted permanent relocation assistance.

The Notice of Relocation Eligibility must conform to URA requirements as set forth in 49 CFR Part 24, to HUD Handbook 1378 and to the following requirements:

- The PHA must provide updated information as to when it is anticipated that the resident will be able to return to the completed project.
- The resident may choose to remain temporarily relocated based upon such updated information or may choose to accept permanent URA relocation assistance in lieu of exercising the right to return.
- If the resident chooses to accept permanent URA relocation assistance and such assistance requires that the resident move, the URA requires such resident to receive 90 days advance written notice of the earliest date they will be required to move (i.e., 90-Day Notice, 49 CFR 24.203(c)). The PHA should be mindful that the 90-day time period may only begin once the PHA has made available at least one “comparable replacement dwellings” as set forth in 49 CFR 24.204(a).

9. Initiation of Relocation

¹⁴ PHAs and program participants should note that, in most instances, it will be most appropriate for the acquiring entity to send this notice.

Unless otherwise approved by HUD, relocation may not begin until the date of closing of the RAD transaction and recordation of the RAD Use Agreement. PHAs must provide residents being temporarily relocated at least 30 days advance written notice of the required move. PHAs must give residents being permanently relocated at least 90 days advance written notice of the required move. This means PHAs are advised to plan carefully to account for this 30-day or 90-day notice period to ensure the closing is not delayed.

However, HUD is aware that, in rare cases, some project plans necessitate relocation prior to closing. With prior HUD approval, for projects involving acquisition, PHAs may relocate residents prior to the closing date subject to public housing requirements (see 24 CFR part 5 and 24 CFR 966). PHAs must contact their assigned RAD transaction manager (TM) to discuss plans as early as possible in the process to ensure compliance with all RAD and URA requirements.

If relocation prior to closing is desired, PHAs should submit to the TM the following information, as early as possible in the process:

- A written request for relocation prior to closing. The request must include justification of why the early relocation is necessary for the viability of the RAD transaction. Justification may include the presence of outside financing, such as Low Income Housing Tax Credit (LIHTC) awards, if the PHA can show that early relocation is necessary to meet critical LIHTC deadlines.
- FHEO Accessibility and Relocation Checklist.
- Evidence of intent to comply with public housing requirements, as applicable. Generally, public housing regulations require public housing residents to receive 30 days' notice prior to relocation and that such notice either be published in the PHA's admissions and continued occupancy policies (ACOP) or published elsewhere at least 30 days prior to receipt of such notice (24 CFR parts 5 and 966).

When seeking to relocate residents prior to closing, submission of this request as early as possible is preferred, prior to the 180-day Financing Plan milestone if possible (with Financing Plan submission following the request).

HUD reserves the right to request additional follow-up information, including a Relocation Plan and related budget, prior to approving such requests. PHAs must receive written HUD approval before beginning relocation of residents prior to closing.

Early planning and submission of the Financing Plan and FHEO checklist to HUD will ensure the PHA has built in the 30- or 90-day notice period prior to initiating relocation.

10. Fair Housing and Civil Rights Requirements

PHAs must comply with all applicable fair housing and civil rights laws, including, but not limited to, the Fair Housing Act, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973, when conducting relocation planning and providing relocation assistance. Further, communication must be provided in a manner that is effective for persons

with disabilities (24 CFR 8.6) and for person who are Limited English Proficient (see 72 FR 2732). This section discusses some of the PHA's obligations under these laws and regulations. However, the applicability of civil rights laws is not limited to the activities discussed in this section. PHAs conducting relocation activities should familiarize themselves with applicable civil rights statutes, regulations, and guidance, including but not limited to, those listed at the end of this section.

- **Effective Communication for Persons with Disabilities:** Communications and materials must be provided in a manner that is effective for persons with hearing, visual, and other communication-related disabilities consistent with Section 504 of the Rehabilitation Act of 1973 (24 CFR 8.6), and as applicable, the Americans with Disabilities Act; and for persons who are limited English proficient (*see* 72 Fed Reg 2732). This includes ensuring that training materials are in appropriate alternative formats as needed, e.g., Braille, audio, large type, assistive listening devices, and sign language interpreters.
- **Accessible Meeting Facilities for Persons with Disabilities:** When holding public meetings, PHAs must give priority to methods that provide physical access to individuals with disabilities, i.e., holding the meetings, workshops, and briefings or any other type of meeting in an accessible location, in accordance with the regulations implementing Section 504 of the Rehabilitation Act of 1973 and Titles II and III of the Americans with Disabilities Act of 1990, as applicable. All programs and activities must be held in accessible locations unless doing so would result in an undue financial and administrative burden, in which case the PHA must take any action that would not result in such an alteration or such burden but would nevertheless ensure that individuals with disabilities receive the benefits and services of the program or activity, e.g., briefings at an alternate accessible, in-home briefing. Individuals with disabilities must receive services in the most integrated setting appropriate to their needs. The most integrated setting appropriate to the needs of qualified individuals with disabilities is a setting that enables individuals with disabilities to interact with nondisabled person to the fullest extent possible (28 CFR part 35, appendix B).
- **Meaningful Access for Persons with Limited English Proficiency (LEP):** PHAs must provide meaningful access to programs and activities for persons who have a limited ability to read, speak, or understand English. Any person with LEP who will be temporarily relocated or permanently displaced must have meaningful access to any public meetings regarding the project. In addition, any information provided to residents including, but not limited to, any notices required under the URA, should be provided in the appropriate language to persons with LEP. Generally, PHAs will be responsible for providing oral interpreters at meetings, including ensuring their competence, and covering any associated translation and interpretation costs.
- URA requires that PHAs provide persons who are unable to read or understand the notices, such as persons with disabilities or persons with LEP, with appropriate translation and counseling to ensure that they understand their rights and responsibilities and the assistance available to them (49 CFR 24.5). URA also requires that each notice indicate the name and telephone number of a person to contact with questions or for other

needed help (49 CFR 24.5). This notice should include the number for the telecommunication device for the deaf (TDD) or other appropriate communication device, if applicable (24 CFR 8.6(a)(2)).

- **Comparable Housing for Persons with Disabilities:** PHAs should identify the accessibility needs of residents to be relocated by consulting existing information (e.g., tenant characteristics forms, including identification of the need for accessible unit features; records of approved reasonable accommodations, and records of the presence of accessible unit features). For guidance on providing relocation assistance to persons with disabilities, see Exhibit 3-1 in HUD Handbook 1378.
- **Advisory Services:** PHAs should determine the advisory services that will be necessary to ensure a successful relocation program consistent with 49 CFR 24.205(c). Such advisory services may include housing counseling that should be facilitated to ensure that residents affected by the project understand their rights and responsibilities and the assistance available to them (49 CFR 24.205(c)). Advisory counseling must also inform residents of their fair housing rights and be carried out in a manner that satisfies the requirements of Title VI of the Civil Rights Act of 1964, the Fair Housing Act, and Executive Order 11063 (49 CFR 24.205(c)(1)). In addition, PHAs should inform residents that if they believe they have experienced unlawful discrimination, they may contact HUD at 1-800-669-9777 (Voice) or 1-800-927-9275 (TDD) or at <http://www.hud.gov>.

Fair Housing References:

- Section 504 of the Rehabilitation Act of 1973
 - Regulations: 24 CFR part 8
 - Fair Housing Act Regulations: 24 CFR part 100
 - Title VI of the Civil Rights Act of 1964
 - Regulations: 24 CFR part 1
 - Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (LEP Guidance) (72 FR 2732)
 - Exhibit 3-1 Compliance with Section 504 of the Rehabilitation Act in HUD Handbook 1378 (Tenant Assistance Relocation and Real Property Acquisition)
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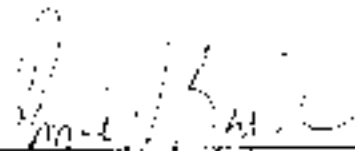
11. Other Requirements

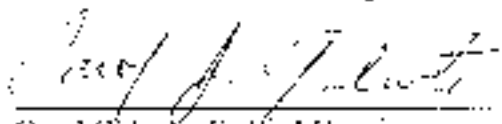
a. Public Housing Program Compliance

PIAs should note that public housing resident provisions related to occupancy and termination, including grievances and related hearings, will remain in effect until the execution of the new PBV or PHRA Housing Assistance Payment (HAP) contract.

b. Evictions for Cause

If the PIA determines that a resident was evicted in accordance with applicable state and local law for serious or repeated violation of material terms of the lease, and the eviction was not undertaken for the purpose of evading the obligation to make available URA payments and other assistance, the resident is not entitled to relocation payments and assistance under the URA (49 CFR 24.206).



Jennie A. Bryon
General Deputy Assistant Secretary for
Public and Indian Housing

Carol Galante, Federal Housing
Commissioner - Assistant Secretary for
Housing

APPENDICES

Appendix 1

Recommended Relocation Plan Contents

Appendix 2

Sample RAD General Information Notice (GIN)

Appendix 3

Sample RAD Notice of Relocation (for relocation anticipated for a year or less)

Appendix 4

Sample RAD Notice of Relocation (for relocation anticipated for more than a year)

Appendix 5

Sample Notice of Eligibility for URA Relocation Assistance (for residents who have been temporarily relocated for more than a year)

Appendix 1: RECOMMENDED RELOCATION PLAN CONTENTS

While written Relocation Plans are not required under RAD or URA, the Department strongly encourages PHAs to document their relocation planning process and procedures in a written Relocation Plan. The following provides suggested content for Relocation Plans.

I. Project Summary

The Relocation Plan should provide a general description of and purpose for the project (e.g., year built, location, number of units, configuration, occupancy information, and funding sources).

The basic components of a plan include:

- A general description of the project and the site, including acquisition, demolition, rehabilitation, and construction activities and funding sources;
- A detailed discussion of the specific steps to be taken to minimize the adverse impacts of relocation, including when transferring the assistance to a new site;
- Information on occupancy (including the number of residents, residential owner-occupants and non-residential occupants, if any, to be permanently or temporarily relocated);
- Information on relocation needs and costs (including the number of residents who plan to relocate with Section 8 assistance);
- General moving assistance information;
- Temporary move assistance (including information on the duration of temporary moves);
- Permanent move assistance; and
- Appeals process.

II. Resident Return and Re-occupancy Policies

For residents that will be temporarily relocated, the plan should include the criteria that will be used to determine the priority for residents to re-occupy units at the project after rehabilitation, demolition, and/or construction is completed. For example, if units will come online in stages, the plan should outline how the PHA will determine when each resident will return to the project. PHAs should ensure that any written return or re-occupancy policy is compliant with related RAD requirements, such as the right-to-return policy and the “no re-screening upon conversion” policy, as described in the RAD Notice.

III. Summary of Moving Costs

The plan should include a summary of moving costs, identified by move types, including the following:

Temporary Moves

- Number of and cost amount for two-way moves (i.e., a move to another unit and then a return move) within the same building/complex.
- Number of and cost amount for two-way moves to a unit not in the same building/complex, carried out by the PHA.
- Number of and cost amount for two-way moves to a unit not in the same building/complex not carried out by the PHA.

Permanent Moves

- Number of and cost amount for one-time moves into another unit in the same building/complex.¹⁵
- Number of and cost amount for one permanent move to a unit not within the same building/complex, carried out by the PHA.
PHAs should note that if a residential move is carried out by the PHA at no cost to the resident, this per-household estimate must include the required dislocation allowance (currently \$100). The URA Fixed Residential Moving Cost Schedule lists the most current dislocation allowance:
http://www.fhwa.dot.gov/real_estate/practitioners/uniform_act/relocation/moving_cost_schedule.cfm
- Number of and cost amount for one permanent move to a unit not within the same building/complex that is not carried out by the PHA.

IV. Temporary Relocation Assistance

The PHA will assist residents who are required to move temporarily. At the Initiation of Negotiations (ION), the PHA will send a RAD Notice of Relocation to residents who will be relocated. Appendices 3 and 4 of this Notice contain sample RAD Notices of Relocation to be provided to residents that will be temporarily relocated.

The plan should detail the temporary relocation assistance the PHA will provide for residents (Paragraph 2-7 of HUD Handbook 1378). This assistance includes:

- Temporary Housing - The PHA will provide temporary housing that is decent, safe, and sanitary on a nondiscriminatory basis for residents who are relocated temporarily. The PHA will also pay for reasonable increased housing costs that the resident incurs in connection with the temporary relocation.

NOTE: If a resident's relocation exceeds one year, the PHA must then issue a *Notice of Relocation Eligibility* (49 CFR 24.203(b)) to the resident and offer the resident permanent

¹⁵ A resident who moved to another unit in the same building/complex may be considered a displaced person under URA if the resident moves from the building/complex permanently and was not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move within the same building/complex and/or if other conditions of the move within the building/complex were not reasonable.

relocation assistance and payments at URA levels. The PHA must provide this notice to affected residents as soon as the temporary relocation exceeds one year.

- **Packing and Moving Assistance** - Since most residents prefer to pack their own personal possessions and items of value, they should be provided packing instructions, boxes, markers, and tape for the move. If assistance in packing is needed, the PHA should provide the resident with information on how to request this assistance. The PHA is responsible for covering all reasonable moving expenses incurred in connection with temporarily relocating a resident. The PHA may reimburse the resident's out-of-pocket moving expenses and/or directly carry out the move.
- **Payment for Temporary Relocation Moving Expenses** - The plan should also indicate how the PHA intends to provide or reimburse for moving services and expenses. The PHA can choose to do one or more of the following:
 - Undertake the moves itself, using force account labor or a moving company;
 - Use PHA's contractor or moving company;
 - Carry out moves with employees of the PHA;
 - Reimburse residents for all actual and reasonable moving costs.

NOTE: The PHA will not make fixed payments since such payments may not be representative of actual reasonable costs incurred. However, in order for a resident to be sure of full reimbursement, the resident should submit a moving cost estimate to the PHA for approval prior to the move unless the PHA is directly carrying out the move and the resident will not incur any reasonable out-of-pocket moving expenses. Failure to do so may result in the resident not being fully reimbursed.

- **Utility Costs** - The PHA is responsible for covering the expenses relating to disconnection and reconnection of necessary utilities. If the resident has telephone, cable service or Internet access, the PHA is responsible for covering the expenses involved in transferring existing service. The PHA may also pay utility deposits, if required at the temporary relocation housing (HUD Handbook 1378, paragraph 2-7(A)(3)). If a resident is temporarily relocating from a public housing unit to a non-public housing unit, the resident must be reimbursed for reasonable increases in utility costs even if the PHA utility allowance is lower than the actual costs to the resident.

V. Permanent Relocation Assistance

Based on the local housing resources available, the PHA should identify the replacement housing options that will be available to meet the housing needs of residents to be permanently relocated. Replacement housing options for residents that meet the definition of a "displaced person" (49 CFR 24.2(a)(9)) under the URA include, but are not limited to:

- Other Public Housing;
- Section 8 Project-Based Voucher unit;
- Section 8 Housing Choice Voucher unit;
- Homeownership housing;

- Private-market rental housing (affordable, non-subsidized).¹⁶

The plan should describe each type of replacement housing projected to be available, including:

1. Number of units, by bedroom size, expected to be available, and discussion of whether available units will meet dwelling requirements of relocated residents;
2. General area or location of unit(s);
3. Criteria for receiving relocation assistance; and
4. Any other information that might benefit residents in their consideration of housing choices.

The plan should include a description of the permanent relocation assistance the PHA will provide to residents. This assistance includes:

- Availability of Comparable Replacement Housing – Under URA, no displaced resident will be required to move unless at least one comparable replacement dwelling (49 CFR 24.2(a)(6)) is made available at least 90 days before the required move (49 CFR 24.203(c)). Comparable replacement dwellings must contain the accessibility features needed by displaced persons with disabilities (49 CFR 24.2(a)(8)(vii); 49 CFR part 24, Appendix A, §24.2(a)(8)(vii)). If the comparable replacement dwelling is not subsidized housing, the PHA should contact the RAD staff for advice on replacement housing payment requirements.
- Referral to Housing Not Located in an Area of Minority Concentration - Whenever possible, minority persons shall be given reasonable opportunities to relocate to decent, safe, and sanitary replacement dwellings that are within their financial means and not located in areas of minority concentration (49 CFR 24.205(c)(2)(ii)(D)). However, this policy does not require a PHA to provide a person a larger payment than is necessary to enable a person to relocate to a comparable replacement dwelling unit.
- Permanent Relocation Moving Expenses from Public Housing to Public Housing - The PHA may choose one of the following options for covering the expenses involved in moving public housing residents that are relocated into other public housing:
 - Undertake the move itself, using force account labor or a moving company. Residents should incur no moving costs under this option, but if such expenses are incurred, the PHA is responsible for reimbursing the resident for any such actual and reasonable expenses. In such case, the resident is also entitled to a dislocation allowance (currently \$100). The URA Fixed Residential Moving Cost Schedule lists the current dislocation allowance and is available at:
http://www.fhwa.dot.gov/real_estate/practitioners/uniform_act/relocation/moving_cost_schedule.cfm

¹⁶ Every effort should be made to find another subsidized unit as replacement housing for a resident relocating from subsidized housing so that the resident will continue receiving the housing subsidy as long as it is needed.

NOTE: Residents who prefer to pack their own personal possessions and items of value may be provided packing instructions, boxes, markers, and tape for their move. If a resident needs assistance in packing, they should contact the PHA. It is the responsibility of the PHA to pack and move all of their belongings and household goods, if so desired.

- Allow the resident to elect one of the following choices:
 - 1) The PHA will reimburse the resident for the cost of all actual reasonable and necessary moving and related expenses (49 CFR 24.301), such as:
 - Transportation of the resident and personal property. This may include reimbursement at the current mileage rate for personally owned vehicles that need to be moved. Transportation costs for a distance beyond 50 miles are not eligible, unless the PHA determines that relocation beyond 50 miles is justified.
 - Packing, crating, uncrating, and unpacking of personal property.
 - Storage of personal property for a period not to exceed 12 months, unless the PHA determines that a longer period is necessary.
 - Disconnecting, dismantling, removing, reassembling, and reinstalling relocated household appliances and other personal property.
 - Insurance for the replacement value of the property in connection with the move and necessary storage.
 - The replacement value of property lost, stolen, or damaged in the process of moving (not through the fault or negligence of the displaced person, his or her agent, or employee) where insurance covering such loss, theft, or damage is not reasonably available.
 - 2) The PHA will pay directly to the resident the applicable and current fixed moving cost payment according to the URA Fixed Residential Moving Cost Schedule (49 CFR 24.302), available at:
http://www.fhwa.dot.gov/real_estate/practitioners/uniform_act/relocation/moving_cost_schedule.cfm
- Permanent Relocation Moving Expenses for All Other Moves – Under URA, residents who are permanently displaced, except for those residents displaced from public housing and moving to other public housing, are entitled to the assistance described in the brochure *Relocation Assistance To Residents Displaced From Their Homes*, available in English at http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_16280.doc and in Spanish at http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_16281.doc. Residents may choose moving assistance from one of the following two options.
 - 1) The PHA will reimburse the resident for the cost of all actual reasonable moving and related expenses (49 CFR 24.301).
 - 2) The PHA will pay directly to the resident the applicable and current fixed moving cost payment according to the URA Fixed Residential Moving Cost Schedule (49

CFR 24.302), available at:

http://www.fhwa.dot.gov/real_estate/practitioners/uniform_act/relocation/moving_cost_schedule.cfm.

- Replacement Housing Payment - In addition to covering moving expenses, displaced residents may be entitled to a replacement housing payment (RHP). This payment is intended to cover the increase, if any, in monthly housing costs for a 42-month period.

When calculating the RHP, the PHA must consider the comparable replacement housing unit offered to the resident. Since the PHA is not required to pay an RHP amount that exceeds the amount of RHP calculated for the offered comparable replacement dwelling, residents are cautioned to work closely with the PHA prior to their move.

- Accessible Housing for Persons with Disabilities - Under the URA, persons with disabilities who will be permanently displaced must be relocated to a replacement dwelling that contains the accessibility features they need (49 CFR 24.2(a)(8)(vii); 49 CFR Appendix A, 24.2(a)(8)(vii)). A person with disabilities who has been relocated must be offered a comparable replacement dwelling unit that contains accessible features comparable to the housing from which the tenant has been displaced or relocated. This is so even if the tenant has paid for the acquisition and/or installation of accessible features in the housing from which he or she has been relocated; in such instances, the recipient must ensure that the replacement housing contains comparable accessible features or provide relocation assistance to the tenant in an amount that covers the cost of acquiring and/or installing comparable accessible features. Under the URA, an agency may use project funds to remove architectural barriers for displaced owners and tenants with disabilities or take other last resort housing measures if comparable replacement dwelling units are not available within the monetary limits prescribed under the URA regulations (49 CFR 24.404(c)(vii); HUD Handbook 1378, Paragraph 3-8).

VI. Relocation Budget

Based on the results of the planning process, the PHA should create a relocation budget that includes the following six components:

- 1) The cost of administering the plan and providing assistance and counseling.
- 2) Reasonable moving expenses for a person with disabilities, which may include the cost of moving assistive equipment that is the personal property of the residents, the furnishings and personal belonging of a live-in aide, and/or other reasonable accommodations (HUD Handbook 1378, Paragraph 3-2).
- 3) The cost of the physical move of the residents' belongings. (It is suggested that the move costs be broken down by average cost per move type multiplied by the number of moves.)

NOTE: This physical move cost total should be based on the move scenarios anticipated

or projected by the resident survey.

- 4) The cost estimated to pay for projected increases in monthly housing costs for temporary relocation.
- 5) The cost estimated to pay for the replacement housing payment (RHP) (42-month period for URA or 60-month period if section 104(d) applies).
- 6) Contingency costs estimated for carrying out the relocation process necessary to complete the proposed project. (The PHA should state where these costs are indicated in the application, or attach any other information required by HUD, to support these costs.)

VII. Appeal Process

If a resident disagrees with the PHA's decision as to the resident's eligibility to receive relocation assistance, the amount of a relocation payment, or the adequacy of a comparable replacement dwelling offered to a resident, the resident may file a written appeal to the PHA. The Relocation Plan should describe the specific appeal procedures to be followed consistent with 49 CFR 24.10 (and 24 CFR 42.390 if section 104(d) is involved). At a minimum, the resident will have 60 days to file an appeal with the PHA after receiving written notification of a claim or ineligibility determination.

VIII. Certification

The plan should contain a certification of compliance with the URA and, if applicable, section 104(d).

Technical Assistance

The PHA should direct questions on this Notice's relocation assistance requirements to their RAD Transaction Manager or email rad@hud.gov.

Appendix 2: SAMPLE RAD GENERAL INFORMATION NOTICE (GIN)

PHA LETTERHEAD

RENTAL ASSISTANCE DEMONSTRATION (RAD) GENERAL INFORMATION NOTICE (GIN)

[Date]

Dear [Resident Name],

The property you currently occupy is being proposed for participation in the Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. At this time, we expect that [the proposed acquisition, rehabilitation or demolition, may require you to be relocated (temporarily or permanently) from your unit]. We will provide further details to you as plans develop. **This notice does not mean that you need to leave the property at this time. This is not a notice of eligibility for relocation assistance.** The remainder of this letter only applies to situations where you will need to be relocated from your unit.

This notice serves to inform you of your potential rights under the RAD program and a federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). If the proposed RAD project receives HUD approval and if you are displaced permanently as a result, you may become eligible for relocation assistance and payments under the URA, including:

- 1) Relocation advisory services that include referrals to replacement properties, help in filing payment claims and other necessary assistance to help you successfully relocate;
- 2) At least 90 days' advance written notice of the date you will be required to move;
- 3) Payment for moving expenses; and
- 4) Payments to enable you to rent a similar replacement home.

NOTE: Aliens not lawfully present in the United States are not eligible for URA relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an immigrant lawfully present in the United States.

As a resident of a property participating in RAD, you have the right to return to the project after the project is complete. You will be able to lease and occupy a unit in the converted project when rehabilitation is complete.

If you are permanently displaced from your home, you will not be required to move until you are given at least 90-day advance written notice of any required move and at least one comparable replacement dwelling has been made available to you. If you are temporarily relocated and your temporary relocation lasts more than one year, you will be contacted and offered permanent relocation assistance as a displaced person under the URA. This assistance would be in addition

to any assistance you may receive in connection with temporary relocation and will not be reduced by the amount of any temporary relocation assistance you have already received.

If you are required to relocate from the property in the future, you will be informed in writing. [PHA] will inform you of what assistance and payments you are eligible for if you will be relocated because of RAD and how you will receive these payments. If you become a displaced person, you will be provided reasonable assistance necessary to complete and file any required claim to receive a relocation payment. If you feel that your eligibility for assistance is not properly considered, you will also have the right to appeal a determination on your eligibility for relocation assistance.

You should continue to pay your rent and meet any other requirements specified in your lease. If you fail to do so, [PHA] may have cause for your eviction. If you choose to move, or if you are evicted, prior to receiving a formal notice of relocation eligibility, you may become ineligible to receive relocation assistance. It is very important for you to contact us before making any moving plans.

You will be contacted soon so that we can provide you with more information about the proposed project. If the project is approved, we will make every effort to accommodate your needs. In the meantime, if you have any questions about our plans, please contact: [Name, Title, Address, Phone, Email Address]. This letter is important to you and should be retained.

Sincerely,

[Name]

[Title]

NOTES:

1. Files must indicate how this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (49 CFR 24.5 and Paragraph 2-3(J) of Handbook 1378)
2. This is a sample GIN. PHAs should revise it to reflect project-specific circumstances.
3. PHAs may provide residents with HUD brochure “Relocation Assistance To Residents Displaced From Their Homes” available at:
<http://www.hud.gov/offices/cpd/library/relocation/publications/1042.pdf>.

Appendix 3: SAMPLE RAD NOTICE OF RELOCATION (For relocation anticipated for a year or less)

***THIS IS A GUIDE FORM.
REVISE TO REFLECT THE PROJECT-SPECIFIC CIRCUMSTANCES.***

PHA Letterhead

(date)

Dear [*Resident Name*],

The property you currently occupy is participating in the Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. On [*date*], the [*Public Housing Authority*] (PHA) notified you of proposed plans to [acquire/ rehabilitate/demolish] the property you currently occupy at [*address*]. On [*date*], HUD issued the RAD Conversion Commitment (RCC) and committed federal financial assistance to the project. [*In instances where a Notice of Intent to Acquire is applicable and this notice is being sent before the RCC is issued, in lieu of the previous sentence noting the RCC issuance date, insert: [Name of entity acquiring the property] (Displacing Agency) intends to acquire the property you currently occupy. This is a Notice of Intent to Acquire.*]

In order for PHA to complete the project, you will need to be relocated for [*anticipated duration of relocation*]. Upon completion of the project, you will be able to lease and occupy your present unit or another decent, safe and sanitary unit in the completed project under reasonable terms and conditions. You are eligible for relocation payments and assistance.

However, **you do not need to move now**. This notice informs you that a decent, safe, and sanitary dwelling unit, listed below, has been made available to you and you will be required to move by [*insert date at least 30 days after the date of this notice*].

If your temporary relocation exceeds one year and you qualify as a "displaced person" under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), you may be eligible for further relocation assistance and payments under URA.

NOTE: Aliens not lawfully present in the United States are not eligible for URA relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

The relocation assistance to which you are entitled includes:

- **Payment for Moving Expenses**. You are entitled to be reimbursed for all reasonable out-of-pocket expenses incurred in connection with any temporary

move. *[PHA should list the form of payment for moving expenses selected in accordance with Appendix 1, Section 4 of this Notice.]*

- The location of your temporary replacement unit is *[address]*. This temporary housing has been determined to be decent, safe and sanitary.
- *[List appropriate relocation advisory services and any other services and assistance provided.]*

If you disagree with this determination, you may file a written appeal to the PHA in accordance with 49 CFR 24.10.

If you have any questions about this notice and your eligibility for relocation assistance and payments, please contact *[Name, Title, Address, Phone, Email Address]* before you make any moving plans. He/she will assist you with your move to a temporary unit and help ensure that you preserve your eligibility for any relocation payments to which you may be entitled.

Remember, do not move or commit to the purchase or lease of a replacement home before we have a chance to further discuss your eligibility for relocation assistance. This letter is important to you and should be retained.

Sincerely,

Print name:

Title:

NOTE: The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See 49 CFR 24.5 and Paragraph 2-3(J) of Handbook 1378.)

Appendix 4: SAMPLE RAD NOTICE OF RELOCATION (For relocation anticipated for more than a year)

***THIS IS A GUIDE FORM.
REVISE TO REFLECT THE PROJECT-SPECIFIC CIRCUMSTANCES.***

PHA Letterhead

(date)

Dear [*Resident Name*],

The property you currently occupy is participating in the Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. On [*date*], the [*Public Housing Authority*] (PHA), notified you of proposed plans to [acquire/ rehabilitate/demolish] the property you currently occupy at [*address*]. On [*date*], HUD issued the RAD Conversion Commitment (RCC) and committed federal financial assistance to the project. [*In instances where a Notice of Intent to Acquire is applicable and this notice is being sent before the RCC is issued, in lieu of the previous sentence noting the RCC issuance date, insert: [Name of entity acquiring the property] (Displacing Agency) intends to acquire the property you currently occupy. This is a Notice of Intent to Acquire.*]

In order for PHA to complete the project, you will need to be relocated for [*anticipated duration of relocation*]. Upon completion of the project, you will be able to lease and occupy your present unit or another decent, safe and sanitary unit in the completed project under reasonable terms and conditions. You are eligible for relocation assistance and payments. Because we expect your relocation to exceed one year, you have the choice to either:

- Receive temporary relocation assistance and return to a unit in the RAD project once it is complete; or
- Receive permanent relocation assistance and payments consistent with the URA instead of returning to the completed RAD project.

You must inform us of your choice within 30 days.

However, **you do not need to move now.** If you choose temporary relocation assistance, you will not be required to move sooner than 30 days after you receive notice that a temporary unit is available for you. If you choose permanent relocation assistance, you will not be required to move sooner than 90 days after you receive written notice that at least one comparable replacement unit is available to you in accordance with 49 CFR 24.204(a). [*Note to PHA: These time periods may start running as of the date of this Notice if the notice of relocation includes such information on the temporary and/or comparable replacement dwelling options, as applicable. In such circumstance, add applicable sentences to adequately notify the resident. For example: This notice informs you that a temporary unit, listed below, has been made available to you and, if you choose this option, you will be required to move by [date no sooner than 30 days after notice]. This notice informs you*

that a comparable unit, listed below, has been made available to you and, if you choose this option, you will be required to move by [*date no sooner than 90 days after notice*].]

If you choose temporary relocation, your relocation exceeds one year and you qualify as a “displaced person” under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), you may become eligible for further relocation assistance and payments under URA.

NOTE: Aliens not lawfully present in the United States are not eligible for URA relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

If you choose to receive temporary relocation assistance, this assistance will include:

- Payment for Moving Expenses. You are entitled to be reimbursed for all reasonable out-of-pocket expenses incurred in connection with any temporary move. [*PHA should list the form of payment for moving expenses selected in accordance with Appendix 1, Section 4 of this Notice.*]
- The location of your temporary replacement unit is [*address*]. This temporary housing has been determined to be decent, safe and sanitary.
- [*List appropriate relocation advisory services and any other services and assistance provided.*]

If you elect to receive permanent relocation assistance, this assistance will include:

- Relocation Advisory Services. You are entitled to receive current and continuing information on available comparable replacement units and other assistance to help you find another home and prepare to move.
- Payment for Moving Expenses. [*PHA should list the form of payment for moving expenses selected in accordance with Appendix 1, Section 5 of this Notice.*]
- Replacement Housing Payment. You may be eligible for a replacement housing payment to rent or buy a replacement home. The payment is based on several factors including: (1) the monthly rent and cost of utility services for a comparable replacement unit, (2) the monthly rent and cost of utility services for your present unit, and (3) 30% of your average monthly gross household income. This payment is calculated on the difference between the old and new housing costs for a one-month period and multiplied by 42.
- [*PHA: list here any permanent relocation assistance offered, such as a Housing Choice Voucher.*]

- Listed below are three comparable replacement units that you may wish to consider for your replacement home. If you would like, we can arrange transportation for you to inspect these and other replacement units.

	Address	Rent & Utility Costs	Contact Info
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

We believe that the unit located at [address] is most representative of your original unit in the converting RAD project. The monthly rent and the estimated average monthly cost of utilities for this unit is [\$ amount] and it will be used to calculate your maximum replacement housing payment. Please contact us immediately if you believe this unit is not comparable to your original unit. We can explain our basis for selecting this unit as most representative of your original unit and discuss your concerns.

Based on the information you have provided about your income and the rent and utilities you now pay, you may be eligible for a maximum replacement housing payment of approximately [\$ (42 x monthly amount)], if you rent the unit identified above as the most comparable to your current home or rent another unit of equal cost.

Replacement housing payments are not adjusted to reflect future rent increases or changes in income. This is the maximum amount that you would be eligible to receive. If you rent a decent, safe and sanitary home where the monthly rent and average estimated utility costs are less than the comparable unit, your replacement housing payment will be based on the actual cost of that unit. All replacement housing payments must be paid in installments. Your payment will be paid in [#]__ installments.

You may choose to purchase (rather than rent) a decent, safe and sanitary replacement home. If you do, you would be eligible for a down-payment assistance payment which is equal to your maximum replacement housing payment, [\$amount.] *[PHAs should note that, at the agency's discretion, a down-payment assistance payment that is less than \$5,250 may be increased to any amount not to exceed \$5,250. (See 49 CFR 24.402(c)(1)).]* Let us know if you are interested in purchasing a replacement home and we will help you locate such housing.

Please note that all replacement housing must be inspected in order to ensure it is decent, safe and sanitary before any replacement housing payments are made.

If you have any questions about this notice and your eligibility for relocation assistance and payments, please contact [Name, Title, Address, Phone, Email Address] before you make any moving plans. He/she will assist you with your move to a new home and help ensure that you preserve your eligibility for all relocation payments to which you may be entitled.

Remember, do not move or commit to the purchase or lease of a replacement home before we have a chance to further discuss your eligibility for relocation assistance. This letter is important to you and should be retained.

Sincerely,

Print name:

Title:

Enclosure/s

NOTE: The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See 49 CFR 24.5 and Paragraph 2-3(J) of Handbook 1378.)

Appendix 5: SAMPLE NOTICE OF ELIGIBILITY FOR URA RELOCATION ASSISTANCE (For residents who have been temporarily relocated for more than a year)

***THIS IS A GUIDE FORM.
IT SHOULD BE REVISED TO REFLECT THE CIRCUMSTANCES.***

PHA Letterhead

(date)

Dear [*Resident*]:

The property you formerly occupied at [*address*] is participating in the Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. You have been temporarily relocated from that property since [*date*.] Your temporary relocation has exceeded one year.

It has been determined that you qualify as a "displaced person" according to the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). You are eligible for relocation assistance and payments under the URA.

You may choose to remain temporarily relocated and return to a unit in the RAD project once it is completed. It is currently estimated that you may return to the RAD project by [*date*]. If you choose to remain temporarily relocated, you will stay at your current location until the RAD project is completed.

Alternatively, you may choose permanent relocation assistance and payments for which you are eligible, as listed below. If you choose permanent relocation assistance, you give up your right to return to the completed RAD project. However, **you do not need to move now.** If you choose permanent relocation assistance instead of exercising your right to return to the completed RAD project, you will not be required to move sooner than 90 days from the date that at least one comparable replacement unit has been made available to you. [*Alternatively: You will not be required to move sooner than 90 days from the date of this notice, which informs you of a comparable replacement unit that has been made available for you.*]

This is your Notice of Eligibility for relocation assistance.

The effective date of your eligibility is [*insert date that relocation exceeds one year.*]

NOTE: Aliens not lawfully present in the United States are not eligible for URA relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

Enclosed is a brochure entitled, "Relocation Assistance to Tenants Displaced From Their Homes." Please read the brochure carefully. It explains your rights and provides additional information on eligibility for relocation payments and what you must do in order to receive these payments.

The relocation assistance to which you are entitled includes:

- Relocation Advisory Services. You are entitled to receive current and continuing information on available comparable replacement units and other assistance to help you find another home and prepare to move.
- Payment for Moving Expenses. [*PHA should list the form of payment for moving expenses selected in accordance with Appendix 1, Section 5 of this Notice.*] This is in addition to any amounts received to reimburse for any reasonable out-of-pocket expenses incurred in connection with the temporary move.
- Replacement Housing Payment. You may be eligible for a replacement housing payment to rent or buy a replacement home. The payment is based on several factors including: (1) the monthly rent and cost of utility services for a comparable replacement unit, (2) the monthly rent and cost of utility services for your present home, and (3) for low-income persons, 30 percent of your average monthly gross household income. This payment is calculated on the difference between the old and new housing costs for a one-month period and multiplied by 42.
- [*PHA list here any other relocation assistance offered the resident, such as Housing Choice Voucher .*]

Listed below are three comparable replacement units that you may wish to consider for your replacement home. If you would like, we can arrange transportation for you to inspect these and other replacement units.

	Address	Rent & Utility Costs	Contact Info
1.	<hr/>		
2.	<hr/>		
3.	<hr/>		

We believe that the unit located at [address] is most representative of the original unit you occupied in the converting RAD project. The monthly rent and the estimated average monthly cost of utilities for this unit is \$[amount] and it will be used to calculate your maximum replacement housing payment. Please contact us immediately if you believe this unit is not comparable to your original unit. We can explain our basis for selecting this unit as most representative of your original unit and discuss your concerns.

Based on the information you have provided about your income and the rent and utilities you now pay, you may be eligible for a maximum replacement housing payment of approximately \$ [42 x \$Amount], if you rent the unit identified above as the most comparable to your current home or rent another unit of equal cost.

Replacement housing payments are not adjusted to reflect future rent increases or changes in income. This is the maximum amount that you would be eligible to receive. If you rent a decent, safe and sanitary home where the monthly rent and average estimated utility costs are less than the comparable unit, your replacement housing payment will be based on the actual cost of that unit. All replacement housing payments must be paid in installments. Your payment will be paid in [#] installments.

Should you choose to purchase (rather than rent) a decent, safe and sanitary replacement home, you would be eligible for a downpayment assistance payment which is equal to your maximum replacement housing payment, [\$ amount] *[PHAs should note that, at the agency's discretion, a downpayment assistance payment that is less than \$5,250 may be increased to any amount not to exceed \$5,250. (See 49 CFR 24.402(c)(1)).]* Let us know if you are interested in purchasing a replacement home and we will help you locate such housing.

Please note that all replacement housing must be inspected in order to ensure it is decent, safe, and sanitary before any replacement housing payments are made.

If you have any questions about this notice and your eligibility for relocation assistance and payments, please contact [Name, Title, Address, Phone, Email Address] before you make any moving plans. He/she will assist you with your move to a new home and help ensure that you preserve your eligibility for any applicable relocation payments.

Remember, do not move or commit to the purchase or lease of a replacement home before we have a chance to further discuss your eligibility for relocation assistance. This letter is important to you and should be retained.

Sincerely,

Print Name:

Title:

Enclosure/s

NOTE: The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See 49 CFR 24.5 and Paragraph 2-3(J) of Handbook 1378.)

RESOLUTION NO. 11831

**RESOLUTION AUTHORIZING A SECOND AMENDMENT TO THE PHILADELPHIA HOUSING
AUTHORITY MOVING TO WORK ("MTW") ANNUAL PLAN FOR MTW YEAR SIXTEEN**

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") administers a Moving to Work ("MTW") Demonstration Program and a Rental Assistance Demonstration Program ("RAD"); and

WHEREAS, HUD regulations for the RAD program require that approval for the conversion of units to RAD be brought before the Board of Commissioners as an amendment to the Annual MTW Plan; and

WHEREAS, PHA has identified two hundred seventy-six (276) PHA-owned long-term vacant scattered sites from which to transfer operating and capital assistance to six (6) non-profit development partners, which partners will use that funding to develop two hundred seventy-six (276) units of affordable rental housing and then receive operating assistance under the RAD Section 8 Unit Based Voucher Program; and

WHEREAS, PHA has fulfilled the HUD requirement of providing opportunities for resident and public participation and comment on the Amended Annual Plan, including scheduling at least one (1) public hearing, by: 1) making available copies of the Amendment to the Plan to the public and to residents on January 18, 2016; 2) holding a public hearing on February 4, 2016; 4) posting the draft plan on PHA's website; 5) briefing the Resident Leadership at the monthly RAD meeting on January 27, 2016; and 6) having a public comment period from January 18, 2016 to February 17, 2016, and also has taken into consideration any comments received;

BE IT RESOLVED that the Board of Commissioners does hereby approve the Second Amendment to the MTW Year Sixteen Annual Plan, as distributed to the Board of Commissioners and referenced herein, and authorizes PHA's Chair and/or its President & CEO or his or her authorized designee(s) to take all steps necessary to finalize and secure HUD approval of and to implement the amendment.

I hereby certify that this was
APPROVED BY THE BOARD ON 3/18/16
Barbara Coleman, General Counsel
ATTORNEY FOR PHA

NOTICE OF PUBLIC HEARING AND PUBLIC COMMENT PERIOD PHILADELPHIA HOUSING AUTHORITY

The Philadelphia Housing Authority (PHA) is a participant in the Moving to Work Demonstration Program (MTW) pursuant to an Amended and Restated Moving to Work Agreement (MTW Agreement) with the U.S. Department of Housing and Urban Development (HUD). The MTW Agreement defines the terms and conditions under which PHA is a participant in the MTW Program and requires PHA to submit an MTW Annual Plan for HUD review and approval. PHA's MTW Annual Plan for Fiscal Year 2016 was originally submitted to HUD in January 2015, and approved by HUD in September 2015.

PHA is seeking public review and comments on a proposed amendment to the FY 2016 MTW Annual Plan concerning PHA's plans to convert certain public housing units to project-based assistance under the Rental Assistance Demonstration (RAD) program. The units consist of 272 vacant and uninhabitable scattered site public housing units. The proposed amendment provides information required by HUD concerning PHA's RAD conversion plans. The proposed amendment is incorporated in its entirety into the FY2016 MTW Annual Plan through an attachment entitled "Rental Assistance Demonstration Significant Amendment". It is available for public review and downloading on PHA's website at www.pha.phila.gov under the "Latest News" section or may be picked up at the following locations:

Public Housing Management Offices:

Bartram - 5404 Gibson Drive
Raymond Rosen- 2110 N. 23rd St.

Housing Choice Voucher Program Office:

2850 Germantown Ave 1st & 2nd Floor

Scattered Sites Management Offices:

Abbottsford Homes- 3226 McMichael St.
Westpark Apartments- 4445 Holden St.
Spring Garden Apartments - 715 Brandywine St.

Wilson Park- 2500 Jackson St.
Fairhill Apartments- 2411 N. 11th St.

PHA will conduct a Public Hearing on the proposed amendment. PHA residents, Housing Choice Voucher participants and the general public are invited to attend and provide comments at the Hearing and/or to submit written comments during the public comment period. The Public Hearing is scheduled for the following time and location:

Thursday, February 4, 2016 at 4:00 p.m.

12 South 23rd Street, 6th Floor
Philadelphia, PA 19103

The public comment period begins on January 18, 2016 at noon and ends February 17, 2016 at noon. All comments must be received at PHA's office by the end of the comment period. Please send written comments to:

Philadelphia Housing Authority
Office of Policy and Planning
Attention: MTW Plan Amendment Comment
12 South 23rd Street, Philadelphia, PA 19103

The Public Hearing is being held in an accessible location. If you require assistance, sign language interpreter or other accommodations, please call 215-684-5767. Please use the AT&T Relay Service for TTY.



To: Philadelphia Housing Authority (PHA), Office of Policy, Research, & Enterprise Planning
From: Community Legal Services Housing Unit; Resident Advisory Board
Re: Comments on Proposed MTW Plan Amendment
Date: February 17, 2016

On January 18, 2016, according to Notice of MTW Public Hearing and Public Comment Period, Philadelphia Housing Authority (PHA) opened a public comment period, seeking public review and comments on a proposed amendment to the FY 2016 MTW Annual Plan concerning PHA's plans to convert 272 vacant, uninhabitable scattered site public housing units to project-based assistance under the Rental Assistance Demonstration (RAD) program. The proposed amendment provides additional information concerning PHA's RAD conversion plans. A public hearing was scheduled for February 4, 2016. The following comments¹ cover recommendations for ensuring that PHA's RAD conversions do not "adversely impact tenants" and that all residents living in converted properties "maintain their existing rights," as intended by Congress.²

1. **PHA identifies several conversion entities that will require rehabilitation, such as Lehigh Park I and II, Norris Square, and Haddington III. PHA should ensure that tenants are receiving clear language about their rights under RAD in lease agreements, relocation policies, and other policies and procedures as required by HUD.**

Recommendations:

- CLS and RAB strongly recommend that PHA allow us to review relocation plans for Conversion Households that will be relocated from units due to RAD conversion or rehabilitation related to a RAD conversion for non-PHA entities and allow us to provide substantive input on such plans.
- CLS and RAB strongly recommend that PHA create a mechanism to ensure ongoing non-PHA entity compliance with tenant rights, public hearing, and notice requirements under RAD.
- In addition to amending its Housing Choice Voucher Administrative Plan, CLS and RAB strongly recommend that tenant protections and rights be written into all HAP contracts, lease agreements, relocation policies, and other procedures to ensure enforceability by tenants. PHA should continue to model its lease agreements on the former public housing lease in spite of conversion to PBV, and should amend its HAP contracts with future owners to ensure that the owner will model its lease agreement on the former public housing lease as well, with RAD requirements incorporated into the lease.

¹ Where noted, comments incorporate recommendations as part of the National Housing Law Project's Advocate's Guide: Securing Enforceable Tenant Protections in HUD's Rental Assistance Demonstration.

² S.Rpt. 112-83, 112th Cong., 1st Sess. (Sept. 21, 2011), at 108, quoted in NHLP, HUD Housing Programs: Tenant Rights, §12.2.3 n.236.

- **Sample Language:** HAP Contract should read "to the extent that public housing due process and grievance rights (including informal conference and grievance hearings) exceed RAD statutory tenant protections, the more comprehensive provisions shall apply."
 - PHA should also consider maintaining its existing transfer policies (including transfers for emergencies and domestic violence, sexual assault, dating violence, and stalking) to preempt any barriers to transfers that may develop from a change in site ownership. All rights should remain substantially equivalent to those available to public housing residents.
 - PHA should also provide RAB leadership and CLS attorneys with all pertinent documents, such as copies of PHA's RAD application, resident lease agreements and relocation agreements, ground leases, proposed Management Agreement, and the RAD Commitment Contract, in advance and allow for the submission of comments and recommendations on these documents.
 - CLS and RAB strongly recommend that PHA draft and enter into an MOU with developers, private owners, and resident councils to cover organizing rights, grievance rights, notice, comment, and public hearing rights to create consistent and clear rights across the entire portfolio of RAD conversions. The MOU should ensure that housing units transferred to affordable housing developments are operated in the same manner as PHA's current operation of federal public housing.
2. **PHA should clarify admissions and waitlist policies for future RAD sites, and should provide a plan for how it intends to notify applicants on the community-wide wait list about site-based waiting lists.** PHA indicates that it plans to post information on how to apply for the PBV site-based waiting list on the PHA website. While HUD Notice PIH-2012-32, REV. 2 states that PHAs have the discretion to determine the most appropriate means of informing applicants on the public housing community-wide waiting list, we believe that simply posting information to the PHA website is inadequate notice and will not reach many or most of the applicants. Applicants on the public housing community-wide waiting list should be sufficiently informed about when and how to apply to RAD site-based waiting lists. CLS and RAB are also concerned about the timing of when these site-based waiting lists will be established.

Recommendations:

- CLS and RAB strongly recommend that PHA consider contacting every applicant on the public housing waiting list via a number of methods, including direct mailing, advertisement on radio and in newspapers, and other forms of outreach to ensure that the maximum number of applicants are informed of the site-based waitlists.
- CLS and RAB strongly recommend that PHA create an implementation plan or provide sufficient details and methodology for the public housing waitlist and how it intends to notify current general/community-wide waitlist applicants of the site-based waiting lists. Notice must include when and how to apply to the site-based waiting lists.

- PHA should clarify admissions policies and rights for all RAD converted-properties. Admissions policies should be clear and consistent across all RAD sites and should be included in the suggested MOU.
- CLS and RAB strongly recommend that PHA adopt a process whereby applicants to RAD sites can request a review of denials, through informal meetings or grievance hearings.

3. Concerns over ownership, control, and long-term funding of RAD conversions. A shift in ownership and control of public housing “creates challenges for adequate oversight and jeopardizes access to information.”³ PHAs and private owners should fully share information, and file public reports on how RAD transactions are meeting program goals and standards. A transfer of assistance should not impair resident or public access to information. CLS and RAB are concerned about both the immediate and long-term impact of a lack of open meetings and non-transparent decision making by private owners.

Recommendations:

- CLS and RAB strongly recommend that PHA retain a long-term interest in RAD-converted properties by use of methods such as ground leases and other equivalent safeguards, which ensure direct control of operational performance and long-term affordability under RAD.
- CLS and RAB are requesting that PHA make copies of all documents related to any RAD transaction available to tenants, advocates, and the public upon request.
- CLS and RAB strongly suggest that PHA create a succession plan in the event of private sale or foreclosure, which needs to ensure that the properties continue subsidized and affordable housing for low-income tenants.

4. PHA should provide adequate tenant education and ensure timely access to public information with reasonable opportunity to comment. Ongoing education and communication with tenants as PHA moves through the conversion process is absolutely essential to the protection of tenant rights, and to ensure that tenants are able to provide informed input about any changes in the policies that stand to impact upon their rights as program participants or potential program participants. PHA must ensure that it complies with all related resident notification requirements as detailed in HUD Notice 2012-32 §1.8. Furthermore, although HUD requires PHA to provide tenants with a public review and comment period⁴, a future change to private ownership may produce a loss in transparency and public information to tenants and tenant organizations.

³ NHLP Memorandum re RAD Concerns, April 10, 2015

⁴ 24 CFR §§ 903.17(b); see NHLP, HUD Housing Programs: Tenant Rights, Sec. 7.5.1.7.1 (boards), 8.2 (planning).

Recommendations:

- We strongly suggest that PHA work with RAB and CLS advocates to create user-friendly tenant guides, brochures, fact sheets, and other self-help information in order to properly educate tenants on complicated changes to PHA policies.
- CLS and RAB strongly recommend that PHA put measures in place to ensure that notice requirements as provided by HUD are strictly followed and that meaningful opportunities for public comment are provided to tenants on minor and major changes that stand to impact their tenancy.

Thank you for your time and consideration. All responses and requests for more information in reference to these comments should be sent to:

Rasheedah Phillips, Esq.
Managing Attorney, LT Housing Unit
Community Legal Services of Philadelphia
(215) 981-3774
rphillips@clsphila.org

March 3, 2016

Rasheedah Phillips
Managing Attorney, Housing Unit
Community Legal Services
1424 Chestnut Street
Philadelphia PA, 19102

Asia Coney
President
Resident Advisory Board
5632 Walnut Street
Philadelphia PA, 19139

Dear Ms. Phillips and Ms. Coney:

The Philadelphia Housing Authority (“PHA”) received your comments, dated February 17th, 2016 regarding proposed amendments to the Moving To Work Plan on the transfer of assistance from long-term vacant scattered sites under the Rental Assistance Demonstration (“RAD”) Program to affordable housing units being development by six community based organizations. I am writing in response to your comments.

Recommendation 1: PHA will work with the administrator of the Lehigh Park 1 and 2 and the Norris Square Community Alliance, which are the two projects with occupied apartments, to ensure full compliance with the relocation provisions detailed in the RAD regulations, including all applicable tenant rights.

Recommendation 2: PHA’s admission and waitlist policies for RAD sites are detailed in the Admissions and Continued Occupancy Policy (“ACOP”) and Housing Choice Voucher Administration Plan (“Admin Plan”), as amended. PHA acknowledges this comment is substantially similar to comments received in response to the proposed amendments to the ACOP and Admin Plan, and a detailed response to those comments is forthcoming.

Recommendation 3: PHA will comply with the RAD regulations pertaining to the conversion of public housing units to the RAD Program regarding ownership and control. PHA, the Resident Advisory Board and Resident Leaders of developments planned for conversion to RAD, meet on a monthly basis to discuss all issues related to the conversion of public housing units to RAD. PHA acknowledges significant segments of this comment are substantially similar to comments received in response to the proposed amendments to the ACOP and Admin Plan pertaining to the RAD Program, and a detailed response to those comments is forthcoming.

Recommendation 4: PHA has and will continue to comply with the RAD regulations regarding tenant education and public information, and has established a monthly meeting with resident leaders from the developments planned for RAD conversion, and the Resident Advisory Board to discuss all matters related to the RAD program.

On behalf of PHA, I thank Community Legal Services and the Resident Advisory Board for the continuing dialogue on the RAD program. I encourage you to review the forthcoming responses to the comments submitted on the proposed amendments to the ACOP and Admin Plans.

If you have any questions about the responses detailed in the itemized table, please do not hesitate to reach out to me.

Regards,

A handwritten signature in dark ink, appearing to read "Erik L. Soliván", is positioned above the typed name.

Erik L. Soliván, Esquire
Senior Vice President

**Certification of Consistency
with the Consolidated Plan****U.S. Department of Housing
and Urban Development**

I certify that the proposed activities/projects in the application are consistent with the jurisdiction's current, approved Consolidated Plan.
(Type or clearly print the following information:)

Applicant Name: Philadelphia Housing AuthorityProject Name: Moving to Work Annual Plan FY 2016 RAD Significant Amend #2Location of the Project: The development and implementation of affordable housing and
economic development initiatives in Phila., in accord with the City's
ConPlan and AI. (2016 Consolidated Plan, adopted June, 2015)Name of the Federal
Program to which the
applicant is applying: HUD - Moving to Work DemonstrationName of
Certifying Jurisdiction: City of Philadelphia, Office of Housing & Community DevelopmentCertifying Official
of the Jurisdiction
Name: Melissa LongTitle: Deputy DirectorSignature: Date: 03/14/2016

Civil Rights Certification

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

Civil Rights Certification**Annual Certification and Board Resolution**

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioner, I approve the submission of the Plan for the PHA of which this document is a part and make the following certification and agreement with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing.

Philadelphia Housing Authority

PA002

PHA Name

PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

Lynette Brown-Sow

Title

Chair, Board of Commissioners

Signature

Date

3-15-17

APPENDIX B

Philadelphia Housing Authority

Financial and Compliance Report
March 31, 2015

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**PHILADELPHIA HOUSING AUTHORITY
ANNUAL FINANCIAL REPORT
TRANSMITTAL LETTER**

November 19, 2015

To the Board of Commissioners, Citizens and Clients of the Philadelphia Housing Authority:

Pennsylvania State law requires that all general-purpose local governments and component units publish a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles in the United States of America ("GAAP") and audited in accordance with Generally Accepted Auditing Standards ("GAAS") by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Financial Report of the Philadelphia Housing Authority ("PHA" or the "Authority") for the fiscal year ended March 31, 2015.

This report consists of management's representations concerning the finances of PHA. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, PHA management established a comprehensive internal control framework that is designed both to protect the Authority's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of PHA's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, PHA's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

PHA's financial statements have been audited by McGladrey LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that PHA's financial statements for the fiscal year ended March 31, 2015 are free of material misstatement.

The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that PHA's financial statements for the fiscal year ended March 31, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of PHA was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies.

The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the Authority's internal controls and compliance, with special emphasis on internal controls, legal requirements and compliance involving the

administration of federal awards. These reports are available in the Single Audit Section of PHA's Financial Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. PHA's MD&A can be found immediately following this transmittal letter.

Profile and Background of the Philadelphia Housing Authority

PHA, created in 1937 pursuant to the Pennsylvania Housing Authorities Law, is the fourth largest housing authority in the country with conventional units and the largest scattered site inventory.

PHA provides housing to approximately 32,000 low and moderate-income residents in developments and scattered sites units in the City of Philadelphia. Through its Housing Choice Voucher Program, PHA assists approximately 44,000 residents in locating and renting housing in privately owned properties.

The federal government exerts a major influence on the nation's housing and development activity, a role that has its roots in the 1930s. Over the past 80 years, Washington has developed a variety of programs and policies to support housing production, revitalize cities, and expand housing opportunities for low- and moderate income homebuyers and renters.

PHA provides low-rent housing for qualified individuals in accordance with the rules and regulations prescribed by the U.S. Department of Housing and Urban Development (HUD) and other federal agencies. The following major federal housing laws constitute the regulatory framework within which PHA provides subsidized housing in accordance with current HUD regulations:

- The National Housing Act, passed in 1934, was the first landmark housing law of the New Deal era. It created the Federal Housing Administration (FHA), whose mission was to stimulate housing activity by insuring mortgages made by private lenders.
- The United States Housing Act of 1937 created the public housing program. Like the National Housing Act, the U.S. Housing Act has been amended many times, including a comprehensive revision in 1974.
- In the Housing Act of 1949, Congress established a national housing policy with three objectives: (1) eliminating housing shortages through housing production and related community development, (2) clearing slums and blighted areas, and (3) achieving the goal of "a decent home and a suitable living environment for every American family."
- In 1965, Congress passed a law to create the U.S. Department of Housing and Urban Development (HUD). In addition, closely related legislation was passed in 1965, which created the rent supplement program to subsidize the rents of low income households in private housing.
- One of the landmark housing laws of the post-World War II era, the Housing and Urban Development Act of 1968 created two major subsidy programs, the Section 235 home purchase program and the Section 236 rent subsidy program.
- The Housing and Community Development Act of 1974 rewrote the U.S. Housing Act of 1937, revising the public housing program and creating the Section 8 rent subsidy program. Under

Section 8, low-income tenants pay a fixed portion of their income for rent in privately owned housing and HUD covers the difference between the tenant payment and the fair market rent for the unit.

- The Housing and Community Development Act of 1987 made a number of changes to the public housing program. These included converting development funding from loans supported by annual contract payments to up-front grants, requiring public housing authorities to submit comprehensive plans to receive modernization funds, and adding provisions for resident management and ownership. For Section 8, the 1987 act made vouchers a permanent program, rather than a demonstration; provided portability for certificates and vouchers, allowing families to take their subsidies with them if they moved within the same or a contiguous metropolitan area; and authorized PHAs to tie up to fifteen (15%) percent of their certificate funding to specific projects.
- The National Affordable Housing Act of 1990 created the Homeownership and Opportunity for People Everywhere (HOPE) program, which was designed to encourage the use of government-owned or government-financed housing for low-income home ownership.
- For public housing, the Housing and Community Development Act of 1992 included provisions to reduce vacancies and improve severely depressed projects. The Section 8 provisions included authorization to use vouchers or certificates for home ownership, and a Moving to Opportunity demonstration program to help families living in subsidized projects to move out of areas with high concentrations of poverty, and into areas offering greater opportunities for employment, education, and lower poverty.
- Public housing reform is represented through the Quality Housing and Work Responsibility Act of 1998 (QHWRA). QHWRA was signed by President Clinton on October 21, 1998 and is found in Title V of HUD's FY 1999 appropriations act (P.L. 105-276). QHWRA's goals include:
 - Reducing the concentration of poverty in public housing;
 - Protecting access to housing assistance for the poorest families;
 - Supporting families making the transition from welfare to work;
 - Raising performance standards for public housing agencies, and rewarding high performance;
 - Transforming the public housing stock through new policies and procedures for demolition and replacement and mixed-finance projects, and through authorizing the HOPE VI revitalization program;
 - Merging and reforming the Section 8 certificate and voucher programs, and allowing public housing agencies to implement a Section 8 homeownership program; and
 - Supporting HUD management reform efficiencies through deregulation and streamlining and program consolidation.

Under QHWRA and, where applicable, the Moving to Work (MTW) Agreement between PHA and HUD as further described below, PHA has established a system of site-based waiting lists, consistent with all applicable civil rights and fair housing laws. PHA has set a minimum

monthly rent of \$50 for residents in public housing, the Housing Choice Voucher Program and Moderate Rehabilitation developments. Exceptions to payment of minimum rent may be made by the PHA for families in hardship circumstances.

QWHRA also allows PHA to terminate the leases of residents of public housing and tenant-based Housing Choice Voucher assistance and be subject to expedited eviction (after an expedited grievance process) for violent or drug-related criminal activity and felony convictions.

- Congress has dealt with substantive housing issues in other legislation, including a number of significant housing and development programs created through tax legislation, such as: (1) the mortgage revenue bond and mortgage credit certificate programs, to provide subsidized financing for first-time home buyers; (2) the low income housing tax credit program, which has become the nation's major low income housing production program; and (3) the empowerment zone and enterprise community program, which provides tax incentives to encourage development in distressed urban and rural areas.

Management Changes During the Current Year

As discussed in last year's transmittal letter, on March 14, 2013, Mr. Kelvin A. Jeremiah was appointed as PHA's President & CEO by the PHA Board of Commissioners. Prior to his appointment, Mr. Jeremiah had served as PHA's Interim Executive Director and the HUD-appointed Administrative Receiver since June 13, 2012.

Pursuant to Pennsylvania state law, the PHA Board of Commissioners consists of nine members nominated by the Mayor of Philadelphia, subject to approval by the City Council. Two of the Commissioners are PHA residents. Prior to their seating, all Board members are required to complete extensive training from PHA and HUD, including sessions on public housing management, Ethical Conduct, Conflict of Interest, EEO and the Fair Housing Act. During the past year, the untimely passing of Commissioner Joan Markman resulted in a vacancy on the Board. Commissioner Amy Kurland was subsequently appointed to the Board. The current members of PHA's Board of Commissioners are:

- 1) ***Lynette M. Brown-Sow*** – Chair – Vice President of Marketing and Government Relations for Community College of Philadelphia;
- 2) ***Leslie D. Callahan, PhD*** – Pastor of St. Paul's Baptist Church in North Philadelphia;
- 3) ***Rev. Bonnie Camarda*** – Director of Partnerships for the Salvation Army of Eastern Pennsylvania and Delaware;
- 4) ***Asia Coney*** – President of PHA's Resident Advisory Board;
- 5) ***Julia Danzy*** – Former City of Philadelphia Director of Social Services, Deputy Commissioner of Health; and Operations Director for the Department of Human Services;
- 6) ***Amy Kurland, Esq.*** – City of Philadelphia Inspector General;
- 7) ***Kenneth A. Murphy, Esq.*** – Partner and Vice-Chair of the Products Liability and Mass Tort Practice Group at Drinker Biddle & Reath, LLP;
- 8) ***Herbert Wetzel*** – Vice Chair – Executive Director of Housing and Community Development for City Council; and

9) *Ethel Wise* – President of the Wilson Park Family Resident Council.

Moving To Work

PHA has been a participant in the Moving to Work (MTW) program since 2001. The current MTW Agreement between HUD and PHA extends through FY 2018. MTW is a national demonstration program by Congress that allows a limited number of Public Housing Authorities to combine Public Housing Operating Fund, Capital Fund and Housing Choice Voucher Program funds into a Block Grant and to waive certain regulations and statutes subject to HUD approval. The MTW Agreement also defines the formulas relevant to PHA's eligibility for Public Housing Operating Fund, Capital Fund and housing Choice Voucher Program funds.

Activities that utilize MTW flexibility must promote one or more of the MTW statutory objectives, which can be summarized as expanding housing choice, reducing cost and promoting efficiency in the administration of federal programs and/or encouraging economic self sufficiency of families with children. PHA continues to work with HUD to determine mutually acceptable terms to extend the MTW Agreement beyond its current term.

PHA is required to prepare and submit an MTW Annual Plan and Annual Report each year for HUD's review and approval. The Annual Plan provides detailed information on the MTW activities and initiatives which PHA plans to undertake during the upcoming Fiscal Year, while the Annual Report summarizes actual progress made in the prior Fiscal Year. The Annual Plan process takes into consideration the policy, operational and financial issues that impact PHA including planned capital expenditures, proposed demolition or disposition activity, proposed new public housing and Project Based Voucher units, MTW Sources and Uses, and other relevant information. The Annual Plan process includes opportunities for resident and general public input. PHA's Board approves the Annual Plan and Annual Report each year prior to submission to HUD. The format of the MTW Annual Plan and Annual Report is defined by HUD.

During the first year of the MTW program, PHA established the following five (5) broad objectives:

- Reform the existing Housing Choice Voucher and Public Housing Programs to improve and increase the supply of quality affordable housing throughout the City of Philadelphia;
- Revitalize neighborhoods where MTW and MTW-eligible residents reside;
- Develop a MTW Family Program to furnish comprehensive family self-sufficiency services to eligible MTW families;
- Establish a Quality of Life Program to promote a living environment that fosters community values, encourages resident participation and positive peer group pressure, and reinforces the responsibilities of public housing residents, voucher participants, voucher landlords, and the PHA to one another and to the broader community; and
- Establish efficient operating procedures and implement cost-saving strategies.

These objectives continue to be relevant to PHA's implementation of the MTW program. Under the direction of President & CEO, Kelvin A. Jeremiah, PHA has continued and expanded its use of MTW flexibility in promoting PHA's long-term strategic objectives. PHA has sharpened its focus on improving performance in core business operational areas including property management, maintenance services,

and resident services. PHA's current MTW Plan emphasizes the need to strengthen people, property, and partnerships. Twelve interrelated strategic priorities have been established to guide both future MTW activities and PHA's overall management objectives as described in PHA's Strategic Directions Plan. These priority areas are:

- 1) Preserve and expand the supply of affordable housing available to Philadelphia's residents with low-incomes;
- 2) Achieve excellence in the provision of management and maintenance services to PHA residents;
- 3) Create safe communities in collaboration with neighborhood residents and law enforcement agencies;
- 4) Enhance resident well-being and independence through partnerships for employment, job training, education, health and other evidence-based supportive services;
- 5) Improve access to quality housing choices and opportunity neighborhoods through the Housing Choice Voucher program;
- 6) Incorporate energy conservation measures and sustainable practices throughout PHA operations;
- 7) Improve customer service, streamline operations and create a business model that is data-driven and high performing;
- 8) Conduct PHA business in an open and transparent manner that promotes accountability and access, ensures diversity and adheres to the highest ethical standards;
- 9) Strengthen existing relationships and forge new public, private and philanthropic partnerships to support PHA's strategic goals;
- 10) Make PHA an employer of choice with an accountable, diverse, trained and productive workforce;
- 11) Ensure that PHA is a good neighbor and reliable community partner; and
- 12) Encourage innovation and promote PHA's financial health through ongoing participation in the Moving to Work Program.

Ongoing and future MTW initiatives will be designed to enhance and support these priority areas. PHA's largest programs as described in the accompanying financial statements are:

- **Low-Rent Housing Program (Public Housing)**
This program provides low-rent housing to qualified residents of the City of Philadelphia. All units are owned and operated by PHA and were purchased with financing arranged or provided through HUD. The operations of the program are subsidized by HUD through Annual Contributions Contract(s). Under PHA's MTW Agreement, public housing operating and capital funding are eligible for funding and programmatic flexibility. Under the Rental Assistance Demonstration Program authorized by Congress and implemented by HUD, PHA intends to convert a portion of its public housing portfolio to Section 8 project-based assistance over the next several years.

- **Housing Choice Voucher Program**

The Housing Choice Voucher (HCV) program (also referred to as Section 8) provides rental subsidies to low-income families residing in housing owned by private, not-for-profit or public landlords. Under PHA's MTW Agreement, the majority of PHA's HCV vouchers are eligible for funding and programmatic flexibility. Programs under the Housing Choice Voucher Program umbrella include Tenant-Based, Project/Unit Based, SRO Moderate Rehabilitation and Special Purpose Vouchers such as the Veterans Administration Supportive Housing (VASH), Mainstream and Family Unification Program.

Factors Affecting Financial Condition

Laws, Regulations and Federal Examinations: PHA is subject to a number of laws and regulations. PHA's funding is substantially determined by annual Congressional appropriations. Material portions of PHA's grant revenue and other financial resources are dependent on Congressional appropriations and contingent on PHA's compliance with applicable laws and regulations. PHA is subject to examinations made by federal and state authorities who determine compliance with terms, conditions, laws and regulations governing other grants awarded to PHA in the current and prior years. The statuses of such examinations are monitored by HUD.

PHA is subject to examination by federal oversight agencies, including HUD, who determines compliance with terms, conditions, laws, and regulations governing grants given to PHA in the current and prior years. These examinations may result in the recapture of funds by federal grantors and/or beneficiaries.

Cash Management Policies and Practices: HUD requires housing authorities to invest excess funds in obligations of the United States, certificates of deposit or any other federally insured investment. HUD also requires that deposits be fully collateralized at all times. Acceptable collateralization includes FDIC/FSLIC insurance for the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security deposits. Obligations furnished as security must be held by PHA or with an unaffiliated bank or trust company for the account of PHA.

It is PHA's policy to maintain collateralization in accordance with the requirements of both HUD and the Commonwealth of Pennsylvania. The three custodial credit risk categories defined by HUD are as follows:

- 1) Insured or collateralized with securities held by the authority or by its agent (correspondent bank or Federal Reserve Bank) in the authority's name;
- 2) Collateralized with securities held by the pledging financial institution, trust department, or agent in the authority's name; and
- 3) Uncollateralized or collateralized with securities held by the pledging financial institution or by its trust department or agent, but not in the authority's name.

During its Fiscal Year 2015, all of PHA's cash and investments were held in risk category #1 above.

Risk Management: Prior to April 1, 1999, PHA was self-insured for personal injury claims. Asserted and unasserted claims are accrued based on PHA's experience, and advice of an independent claims manager. Although management believes that adequate accruals have been established, the ultimate liability that may result from asserted and unasserted claims could differ materially from

estimated amounts. Beginning April 1, 1999, PHA purchased commercial policies for personal injury coverage.

Contributions by Federal Agencies: PHA received the majority of its Fiscal Year 2015 revenues from HUD. If in the future, the amount of revenues received from HUD falls below critical levels, PHA's operating reserves could be adversely affected.

Annual contributions contracts provide that HUD shall have the right to audit records of public housing authorities. Accordingly, final determination of PHA's financing and contribution status for the annual contribution contracts is the responsibility of HUD based upon financial reports submitted by PHA.

In closing, I would like to express my appreciation to the PHA Board of Commissioners, Mayor Michael Nutter, the Philadelphia City Council and Council President Darrell Clarke, PHA's staff and clients for their unfailing support for maintaining the highest standards of professionalism in the management of the Authority's finances.

Sincerely,

A handwritten signature in dark ink, appearing to read "Kelvin A. Jeremiah", with a stylized flourish at the end.

Kelvin A. Jeremiah
President & CEO



RSM US LLP

Independent Auditor's Report

To the Board of Commissioners
Philadelphia Housing Authority
Philadelphia, Pennsylvania

Report on the Financial Statements

We have audited the accompanying financial statements of the proprietary fund type activities, the aggregate discretely presented component units and the aggregate remaining fund information of Philadelphia Housing Authority (PHA) as of and for the year ended March 31, 2015, and the related notes to the financial statements, which collectively comprise the Philadelphia Housing Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Philadelphia Housing Authority Retirement Income Plan, which is shown as a Fiduciary Fund Type – Pension Trust Fund as of and for the year ended October 31, 2014. We did not audit the financial statements of the aggregate discretely presented component units as of and for the year ending December 31, 2014. Those statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as it relates to the amounts included for such component units, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the proprietary fund type activities, the aggregate discretely presented component units and the aggregate remaining fund information of PHA as of March 31, 2015, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 11 through 16 and the schedule of pension funding progress on page 56 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Philadelphia Housing Authority. The accompanying financial data schedule, as well as other supplementary information shown on pages 108 to 127, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

Such information, the financial data schedule, schedule of expenditures of federal awards and the other supplementary information shown on pages 108 to 127 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The transmittal letter has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2015 on our consideration of PHA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering PHA's internal control over financial reporting and compliance.

RSM US LLP

Blue Bell, Pennsylvania
November 19, 2015

**PHILADELPHIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2015**

Overview

As management of the Philadelphia Housing Authority ("PHA"), we offer readers of the PHA's financial statements this narrative overview and analysis of the financial activities of the PHA for the fiscal year ended March 31, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 7 through 14 of this report, as well as the financial statements that follow this section. All amounts, unless otherwise indicated, are expressed in millions of dollars.

Financial Highlights

- The assets of the Philadelphia Housing Authority exceeded its liabilities (net position) at the close of the most recent fiscal year by \$1,075.4 million (vs \$1,097.1 million in FY2014). Of this amount, \$534.4 million are *unrestricted net position*, which includes \$376.6 million of mortgages receivable from PHA's discretely presented component units. The remaining unrestricted net position of \$147.8 million may be used to meet PHA's ongoing obligations to clients and creditors.
- PHA's total FY2015 net position decreased by \$21.7 million over FY 2014.
- PHA's total operating revenue for FY2015 was \$368.2 million (vs \$355.7 million in FY2014), \$19.9 million (vs \$21.6 million in FY2014) more than total operating expenses (excluding depreciation).
- PHA's total liabilities of \$94.1 million as of March 31, 2015 decreased by \$7.6 million compared to total liabilities as of March 31, 2014.

Overview of the Financial Statements

This discussion and analyses are intended to serve as an introduction to the Philadelphia Housing Authority's basic financial statements. The PHA's basic financial statements comprise three components: 1) agency-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

The **agency-wide financial statements** are designed to provide readers with a broad overview of PHA's finances, in a manner similar to a private-sector business. The statement of net position presents information on all of PHA's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of PHA is improving or deteriorating. The statement of revenues, expenses and changes in net position presents information showing how PHA's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., authorized but uncollected grant revenue and earned but unused vacation leave).

The agency-wide financial statements include not only PHA itself (known as the primary government), but also legally separate non-profit agencies for which PHA is financially accountable, as described in the accompanying notes to the financial statements.

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The agency-wide financial statements and accompanying notes can be found on pages 15 through 65 of this report.

**PHILADELPHIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2015**

Overview of the Financial Statements (Continued)

The remaining statements that support the agency-wide financial statements are the combining statement of net position. *The combining statement of net position* presents the Philadelphia Housing Authority's financial statements by fund activity. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Philadelphia Housing Authority, like other public housing authorities, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

All of PHA's funds are considered to be an Enterprise Fund for financial reporting purposes. Normally, an enterprise fund is used to report any activity for which a fee is charged to external users for goods or services. In accordance with Generally Accepted Accounting Principles in the United States of America (GAAP), enterprise funds may also be used by all governmental entities, such as PHA, that were using traditional not-for-profit accounting as of the date of adoption of Governmental Accounting Standards Board ("GASB") Statement No. 34 (June 1999), even if their activities do not otherwise meet the criteria for using an enterprise fund. In practice, enterprise funds frequently are used to account for activities whose costs are only partially funded by fees and charges. Enterprise funds are considered useful in such instances because they focus attention on the cost of providing services, and they serve to highlight the portion of that cost being borne by taxpayers, which in the case of PHA take the form of federal grant contributions.

In addition to the basic financial statements and accompanying notes, this report also presents certain required and other supplementary information. The combining statement of net position and other supplementary information can be found beginning on page 70 of this report.

**PHILADELPHIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2015**

Agency-wide Financial Analysis

Net position. As noted earlier, net position may serve over time as a useful indicator of an agency's financial position. In the case of PHA, assets exceeded liabilities by \$1,075.4 million at the close of the most recent fiscal year. The combined net position of PHA decreased by \$21.7 million in FY2015 vs FY2014. The following table shows a summary of changes in from the prior year amounts:

			<u>Increase/(Decrease)</u>	
	<u>FY15</u>	<u>FY14</u>	<u>Dollar Variance</u>	<u>Percent Variance</u>
<u>Assets</u>				
Cash & Investments	\$ 140.6	\$ 152.0	\$ (11.4)	(7.5%)
Accounts Receivable	53.4	65.8	(12.4)	(18.9%)
Other Current Assets	1.5	2.3	(0.8)	(36.7%)
Total Current Assets	\$ 195.5	\$ 220.1	\$ (24.6)	(11.2%)
Net Program Loans Receivable	376.6	353.3	23.3	6.6%
Restricted Cash & Investments	3.0	2.9	0.1	3.7%
Capital Assets	579.2	617.4	(38.2)	(6.2%)
Other Assets	15.2	5.1	10.1	197.3%
Total Assets	\$ 1,169.5	\$ 1,198.8	\$ (29.3)	(2.4%)
<u>Liabilities</u>				
Accounts Payable	\$ 6.2	\$ 5.9	\$ 0.3	5.4%
Other Current Liabilities	31.5	33.3	(1.8)	(5.5%)
Total Current Liabilities	\$ 37.7	\$ 39.2	\$ (1.5)	(3.9%)
Noncurrent Liabilities	56.4	62.5	(6.1)	(9.8%)
Total Liabilities	\$ 94.1	\$ 101.7	\$ (7.6)	(7.4%)
<u>Net Position</u>				
Net investment in capital assets	\$ 528.2	\$ 562.3	\$ (34.1)	(6.1%)
Restricted	12.8	12.8	(0.0)	(0.3%)
Unrestricted	534.4	522.0	12.4	2.4%
Total Net Position	\$ 1,075.4	\$ 1,097.1	\$ (21.7)	(2.0%)
Total Liabilities and Net Position	\$ 1,169.5	\$ 1,198.8	\$ (29.3)	(2.4%)

**PHILADELPHIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2015**

Statement of Revenues, Expenses and Changes in Net Position. The statement shows the sources of PHA's changes in net position as they arise through its various programs and functions. A condensed Statement of Revenues, Expenses and Changes in Net Position comparing FY2015 vs FY2014 is shown in the table below.

**Philadelphia Housing Authority
Statement of Revenues, Expenses and Changes in Net Position for the year ended March 31
(In millions of dollars)**

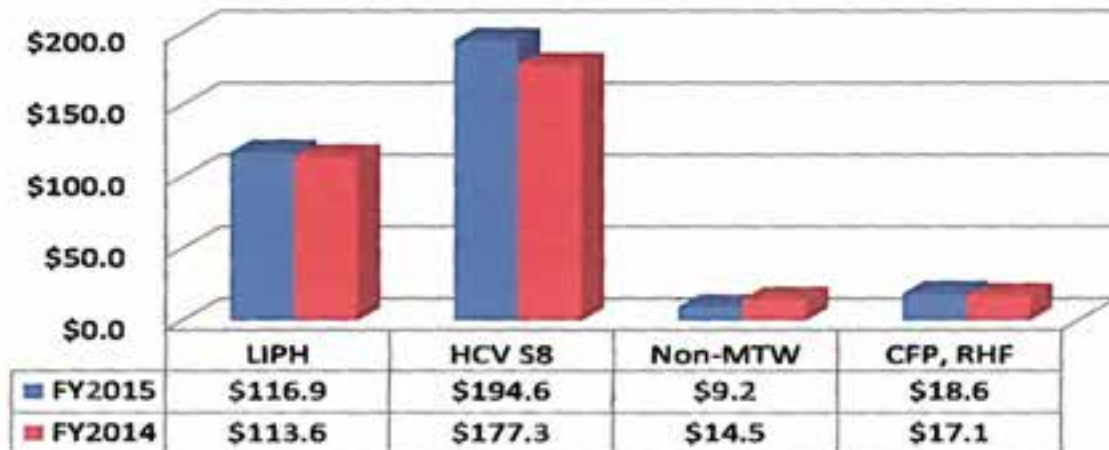
			<u>Increase/(Decrease)</u>	
	<u>FY15</u>	<u>FY14</u>	<u>Dollar Variance</u>	<u>Percent Variance</u>
<u>Revenue</u>				
Program Revenue:				
Charges for Services	\$ 24.4	\$ 24.2	\$ 0.2	0.9%
Federal Revenue	339.3	322.5	16.8	5.2%
Other Revenue	4.5	9.0	(4.5)	(49.8%)
Total Operating Revenue	368.2	355.7	12.5	3.5%
<u>Expenses</u>				
Direct	278.6	262.3	16.3	6.2%
Administrative	69.7	71.8	(2.1)	(2.9%)
Total Operating Expenses	348.3	334.1	14.2	4.3%
Depreciation	57.8	57.0	0.8	1.5%
Total Expenses	406.1	391.1	15.0	3.8%
Net nonoperating revenue	2.8	0.6	2.2	371.2%
Capital subsidies	13.3	13.1	0.2	1.9%
Prior period adjustments	0.1	(0.3)	0.4	(128.1%)
Total Expenses, net of other items	389.9	377.7	12.2	3.2%
Increase/(Decrease) in Net Position	\$ (21.7)	\$ (22.0)	\$ 0.3	(1.1%)

Federal Revenue includes the annual operating subsidies and capital grants made available by the U.S. Department of Housing and Urban Development ("HUD"), along with grants received from other Federal sources and the Commonwealth of Pennsylvania. Federal Revenue and capital subsidies increased by \$16.8 million and \$0.2 million, respectively.

Direct expenses amounted to **\$278.6 million**, representing a year-to-year increase of **\$16.3 million**, or **6.2%**. Administrative expenses total **\$69.7 million** which is a decrease of **\$2.1 million** or **2.9%** from the prior fiscal year.

**PHILADELPHIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2015**

Federal Revenues - FY15 vs FY14



NOTES ON FEDERAL REVENUES

- o **Low Income Public Housing (LIPH)** – PHA recognized LIPH revenues based on the actual cash subsidy provided by HUD. The increase or decrease in the year to year LIPH revenue is mainly driven by HUD approved cash subsidies to PHA.
- o **Housing Choice Voucher / Section 8 (HCV S8)** – PHA recognized HCV S8 revenues based on HUD's obligated funds as supported by the Annual Contribution Contract (ACC). In FY2015, HUD approved a higher amount of HCV S8 subsidy of about **\$17.3 million or 9.8% increase** vs FY2014.
 PHA, as a HUD designated MTW Agency, recognized 100% of the HCV S8 revenue as supported by ACC. Under the MTW Agreement, PHA has the flexibility to combine Federal funds from the Public Housing Operating and Modernization programs and HCV program into a "block grant" to help PHA better meet the purposes of the demonstration and the needs of their communities. In addition, PHA is permitted to combine its Public Housing Operating, Capital funds and HCV funds and use these funds interchangeably.
- o **Non – MTW** – Non – MTW revenue mainly consists of VASH, Mainstream, Moderate Rehab and Single Occupancy Programs. In FY2015, the decrease in the total Non – MTW revenue was **\$5.3 million or 36.6%** due primarily to the proper reclassification of Non-MTW HAP payments to HCV S8 HAP.

**PHILADELPHIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2015**

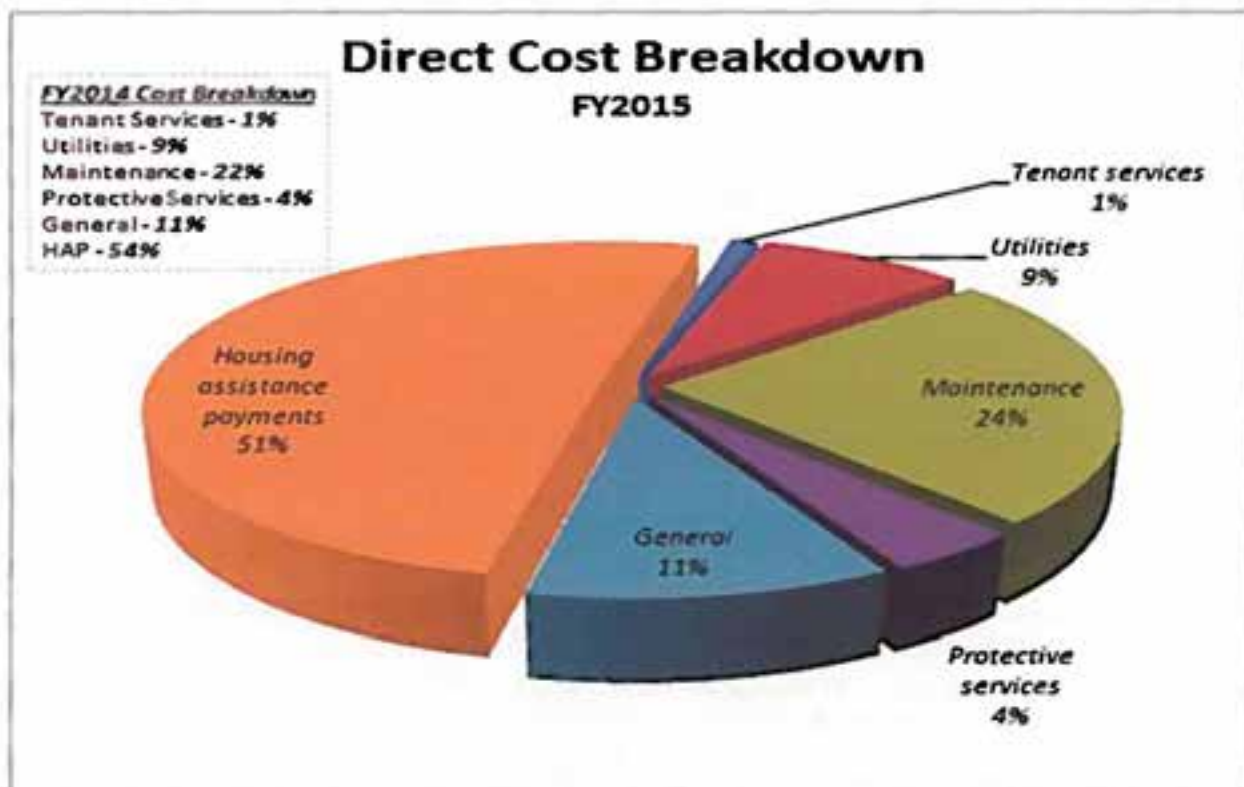
Direct Costs

	FY2015	% of Subsidy	FY2014	% of Subsidy	Increase (Decrease)	
					\$Δ	% Δ
Tenant services	\$3.0	0.9%	\$2.6	0.6%	\$0.4	15.4%
Utilities	24.1	7.1%	22.9	7.1%	1.2	5.2%
Maintenance	68.1	20.1%	58.5	18.1%	9.6	16.4%
Protective services	11.6	3.4%	9.5	2.9%	2.1	22.1%
General	30.7	9.0%	27.9	8.7%	2.8	10.0%
Housing assistance payments	141.1	41.6%	140.9	43.7%	0.2	0.1%
Total Direct Expenses	\$278.6	82.1%	\$262.3	81.3%	\$16.3	6.2%

NOTES ON DIRECT COSTS

- o **Tenants Services** – tenant services for FY2015 are in line with Budget. The increase in tenant services is mainly due to higher number of programs implemented in FY 2015.
- o **Utilities** – slight increase of \$1.2 million or 5.2% was due to the net effect of the following: a) higher water (17.1% over budget) and gas and fuel usage (13.2% over budget) in the Public Housing section. PHA is analyzing the water usage for vacant units to ensure that no utility charges are getting paid; and b) estimated \$200k savings in electric costs attributable to the Energy Conservation Measures and Sustainable Practices throughout PHA operations.
- o **Maintenance** – increase of about \$9.6 million or 16.4% is mainly due to higher maintenance operations particularly the site improvements and adjustments made related to the fixed assets audit/clean-up which is about \$2 million (or 20.1%) over budget and b) higher staffing costs as headcounts increased by 13 and 3 for Conventional (estimated cost by head count of \$86k) and Scattered Sites (\$69k), respectively.
- o **Protective Services** – increase mainly due to increase in staffing costs of about \$2.2 million or 23.4% vs prior year. Office of the Public Safety hired additional officers and provided more security training in FY2015.
- o **General** – the 10.0% increase or about \$2.8 million is mainly due to the increase in staffing costs in the following Departments: Conventional Sites (CS) Maintenance, Scattered Sites (SS) Maintenance and Advance Facilities Managements which incurred staffing costs of 36%, 50% and 61%, respectively, higher than Budget. Maintenance increased its' headcount by about 16 heads with an estimated annual staffing cost per head of \$78k.
- o **Housing Assistance Payments (HAP)** – overall HAP payments as a % of HUD subsidy remains flat vs Budget and Prior Year.

PHILADELPHIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2015



- The increase in *Tenants Services, Utilities, Protective Services and General* are consistent with expectations and are in line vs FY2014 level.
- **Maintenance** as a % of Direct Costs, increased from 22% in FY2014 to 24% in FY2015 due to the higher staffing costs and effect of the capital asset clean up made in FY2015.
- Although **Housing Assistance** related to Landlord Payments increased by \$4.8 million, overall HAP remains flat due to lower HAP for Portability Program, thus, reducing HAP from 54% in FY2014 to 51% FY2015.

**PHILADELPHIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2015**

Capital Assets. Capital Assets include land, buildings and improvements, equipment and construction in progress. At March 31, 2015 total capital assets totaled **\$1,582.4 million**. The Authority's total capital assets increased **\$15.6 million or 1.0%** compared to the prior year. Capital acquisitions totaled **\$19.9 million**.

**Philadelphia Housing Authority
Capital Assets as of March 31
(In millions of dollars)**

			<u>Increase/(Decrease)</u>	
	<u>FY15</u>	<u>FY14</u>	<u>Dollar</u> <u>Variance</u>	<u>Percent</u> <u>Variance</u>
Land	\$ 23.6	\$ 23.6	\$ (0.0)	(0.1%)
Buildings and Improvements	1,493.4	1,496.7	(3.3)	(0.2%)
Equipment - Dwelling	1.2	1.1	0.1	13.2%
Equipment - Administration	24.5	21.4	3.1	14.5%
Construction in process	39.7	24.0	15.7	65.5%
Total Capital Assets	1,582.4	1,566.8	15.6	1.0%
Accumulated Depreciation	(1,003.2)	(949.4)	(53.8)	5.7%
Net Capital Assets	\$ 579.2	\$ 617.4	\$ (38.2)	(6.2%)

Long-term Debt and Other Long-term Liabilities. Long-term debt and other long-term liabilities as of March 31, 2015, compared with March 31, 2014, are depicted in the following schedule.

			<u>Increase/(Decrease)</u>	
	<u>FY15</u>	<u>FY14</u>	<u>Dollar</u> <u>Variance</u>	<u>Percent</u> <u>Variance</u>
Compensated Absences	\$ 3.3	\$ 2.9	\$ 0.4	13.5%
Long-term Debt	46.2	51.2	(5.0)	(9.9%)
Self Insurance and Other Claims	2.5	2.4	0.1	4.2%
Other	4.4	6.0	(1.6)	(26.5%)
Total	\$ 56.4	\$ 62.5	\$ (6.1)	(9.8%)

The decrease in the Long Term Debt of \$5 million pertains to the payment of the current portion of the debt principal of \$4.8 million and amortization of Bond Premium of \$0.2 million.

**PHILADELPHIA HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2015**

Prior to April 1, 1999 the Philadelphia Housing Authority was self-insured for personal injury claims. Asserted and unasserted claims are accrued based on PHA's experience and advice of an independent claims manager. Although management believes that adequate accruals have been established, the ultimate liability that may result from asserted and unasserted claims could differ materially from estimated amounts. Beginning April 1, 1999, PHA purchased commercial policies for personal injury coverage.

Pension Trust Fund

The Philadelphia Housing Authority's financial statement presentation includes a fiduciary component unit of PHA Employees' Retirement Income Plan and Trust. Please refer to Note 2 of the basic financial statements for information on how to obtain the separately issued financial statements of this fiduciary component unit.

Request for Information

This financial report is designed to provide a general overview of the Philadelphia Housing Authority's finances for all those with an interest in the agency's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Senior Vice President of Finance / Chief Financial Officer, 1800 South 32nd Street, Philadelphia, PA 19145.

PHILADELPHIA HOUSING AUTHORITY
STATEMENT OF NET POSITION
March 31, 2015

	Primary Government	Component Units
ASSETS		
Current Assets		
Cash and cash equivalents (Note 3)	\$ 64,863,260	\$ 6,891,398
Restricted cash (Note 3)	21,367,206	24,827,707
Investments (Note 3)	54,323,836	-
Receivables (Note 4)	53,486,072	2,459,750
Other current assets (Note 5)	1,556,342	886,390
Total current assets	195,596,714	35,065,245
Noncurrent assets		
Mortgages receivable (Note 7)	376,645,932	-
Restricted investments (Note 3)	3,007,276	-
Capital assets, net (Note 6)	579,179,333	440,614,963
Equity interest in component units (Note 17)	5,076,592	-
Other assets (Note 5)	10,088,011	2,190,446
Total noncurrent assets	973,997,144	442,805,409
TOTAL ASSETS	\$ 1,169,593,858	\$ 477,870,654
LIABILITIES and NET POSITION		
Current Liabilities		
Accounts payable	\$ 6,215,743	\$ 2,049,667
Accrued liabilities	9,510,458	4,487,987
Current portion of long-term debt (Note 9)	4,815,000	358,440
Due to other government agencies	223,836	-
Compensated absences (Note 14)	4,939,203	-
Resident security deposits (Note 3)	799,191	525,688
Unearned revenue and other current liabilities (Note 8)	11,173,151	2,655,916
Total current liabilities	37,676,582	10,077,698
Noncurrent Liabilities		
Compensated absences (Note 14)	3,292,787	-
Long-term debt (Note 9)	46,154,390	353,835,874
Other long-term liabilities (Note 10)	7,007,176	62,510,480
Total noncurrent liabilities	56,454,353	416,346,354
TOTAL LIABILITIES	94,130,935	426,424,052
Net Position		
Net investment in capital assets	528,209,943	86,420,649
Restricted for housing assistance payments	9,633,400	-
Restricted for development	3,124,210	-
Unrestricted (deficit)	534,495,370	(34,974,047)
TOTAL NET POSITION	1,075,462,923	51,446,602
TOTAL LIABILITIES and NET POSITION	\$ 1,169,593,858	\$ 477,870,654

See Notes to Financial Statements.

PHILADELPHIA HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES and CHANGES IN NET POSITION
For the Year Ended March 31, 2015

	Primary Government	Component Units
Operating Revenue		
Tenant revenue	\$ 24,424,161	\$ 24,159,178
Operating subsidies	339,314,431	-
Other income	4,617,844	3,476,643
Total operating revenue	368,256,436	27,635,821
Operating Expenses		
Administrative	69,732,987	8,186,731
Tenant services	3,017,046	-
Utilities	24,115,542	4,442,293
Maintenance	68,062,254	10,940,783
Protective services	11,568,067	-
General	30,735,928	3,171,069
Housing assistance payments	141,098,567	-
Depreciation and amortization	57,835,027	17,723,881
Total operating expenses	406,165,418	44,464,757
OPERATING LOSS	(37,908,982)	(16,828,936)
Nonoperating Revenue (Expenses)		
Interest and investment earnings	5,862,441	17,099
Interest expense	(3,191,800)	(6,069,270)
Other revenue	156,492	-
Net nonoperating revenue (expense)	2,827,133	(6,052,171)
LOSS BEFORE CAPITAL CONTRIBUTIONS	(35,081,849)	(22,881,107)
Capital Contributions		
HUD capital subsidies	13,348,530	-
Partner distributions	-	(6,287)
Partner contributions	-	15,203,561
	13,348,530	15,197,274
CHANGE IN NET POSITION	\$ (21,733,319)	\$ (7,683,833)
Net Position, beginning		
As previously reported	1,097,111,982	59,130,435
Prior period adjustments (Note 18)	84,260	-
As restated	1,097,196,242	59,130,435
Net Position, ending	\$ 1,075,462,923	\$ 51,446,602

See Notes to Financial Statements.

PHILADELPHIA HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
For the Year Ended March 31, 2015

	Primary Government	Component Units
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipt from grants and subsidies	\$ 351,410,371	\$ -
Cash received from tenants	24,318,351	23,997,981
Other cash receipts	5,138,920	4,168,362
Cash payments to landlords	(141,098,567)	-
Cash payments for other operating expenses	(95,018,757)	(21,373,693)
Payments to and on behalf of employees	(112,937,006)	(5,764,084)
Net cash provided by operating activities	31,813,312	1,028,566
CASH FLOWS FROM CAPITAL and RELATED FINANCING ACTIVITIES		
Construction costs paid	(26,306,725)	(3,478,033)
Purchases of capital assets	(4,146,522)	(139,636)
Proceeds from sale of capital assets	163,308	-
Proceeds from debt	-	2,265,750
Bridge loan payments	-	(10,487,194)
Debt principal payments	(4,575,000)	(55,437)
Proceeds from partner contributions	-	15,203,561
Fraud recovery	221,421	-
Partner withdrawals	-	(6,287)
Interest payments on debt	(3,420,368)	(43,817)
Capital subsidies	12,533,054	-
Net cash provided by (used in) capital and related financing activities	(25,530,832)	3,258,907
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(92,893,954)	-
Sale of investments	60,700,648	-
Mortgage receivable advances	(20,418,671)	-
Proceeds from mortgage receivables	2,730,135	-
Interest income	148,867	17,099
Net cash provided by (used in) investing activities	(49,732,975)	17,099
Net increase (decrease) in cash and cash equivalents	(43,450,495)	4,304,572
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	129,680,960	27,414,533
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 86,230,465	\$ 31,719,105

(Continued)

PHILADELPHIA HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
For the Year Ended March 31, 2015

	Primary Government	Component Units
Consists of:		
Cash and cash equivalents, current	\$ 64,863,260	\$ 6,891,398
Restricted cash - current	21,367,205	24,827,707
Total UNRESTRICTED and RESTRICTED AT END OF YEAR	\$ 86,230,465	\$ 31,719,105
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
OPERATING LOSS	\$ (37,908,982)	\$ (16,828,936)
Adjustments made to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization	57,835,027	17,723,881
(Increase) decrease in assets:		
Tenant accounts receivable	(44,999)	33,341
Accounts receivable - subsidy	11,970,729	-
Accounts receivable - general	(23,244,766)	691,878
Other current assets	767,948	(217,445)
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	1,080,640	523,207
Unearned revenue and other current liabilities	21,357,715	(897,360)
Net cash provided by operating activities	\$ 31,813,312	\$ 1,028,566
SUPPLEMENTAL DISCLOSURE OF NONCASH ACTIVITIES		
Interest income added to Mortgages receivable	\$ 5,701,549	\$ -
Interest expense added to Accrued interest payable	\$ -	\$ 6,025,453

See Notes to Financial Statements.

**PHILADELPHIA HOUSING AUTHORITY
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND TYPE - PENSION TRUST FUND
October 31, 2014**

ASSETS	
Cash and cash equivalents	\$ 2,651,040
Investment, at fair value	
Pooled separate accounts	70,689,166
Bonds domestic and global	1,386,694
Common stocks	55,116,533
Mutual funds	82,527,299
Total Investments	209,719,692
Receivables	
Contributions	128,223
Securities sold	294,086
Interest, dividend and other	42,204
Total Receivables	464,513
TOTAL ASSETS	212,835,245
LIABILITIES	
Securities purchased	85,059
Other Liabilities	1,720
TOTAL LIABILITIES	86,779
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	\$ 212,748,466

See Notes to Financial Statements.

PHILADELPHIA HOUSING AUTHORITY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND TYPE - PENSION TRUST FUND
For the Year Ended October 31, 2014

ADDITIONS TO NET POSITION:

Investment Income	
Interest	\$ 1,339,430
Dividends	2,330,166
Net appreciation in fair value of investments	10,995,534
	14,665,130
Investment management and custodial fees	(525,190)
Net investment income	14,139,940
Contributions	
Employer	7,899,144
Employee	284,685
Total contributions	8,183,829
Other income	(47,745)
TOTAL ADDITIONS TO NET POSITION	22,276,024

DEDUCTIONS FROM NET POSITION:

Benefit payments	21,702,198
Administrative costs	591,445
TOTAL DEDUCTIONS FROM NET POSITION	22,293,643
CHANGE IN NET POSITION	(17,619)
NET POSITION, Beginning	212,766,085
NET POSITION, Ending	\$ 212,748,466

See Notes to Financial Statements.

PHILADELPHIA HOUSING AUTHORITY
Notes to Financial Statements
March 31, 2015

Note 1. Organization and the Agency

Philadelphia Housing Authority ("PHA") is the local housing authority established under Pennsylvania law to provide public housing and related services for the City of Philadelphia. PHA receives subsidies primarily for public housing operations and modernization and for rental assistance programs from the federal government. The Department of Housing and Urban Development (HUD) is the federal oversight entity for all public housing authorities and is responsible for allocating subsidies to housing authorities. PHA owns and/or operates more than 14,100 family and elderly units in 79 developments and/or Asset Management Projects (AMPs), and administers more than 18,000 housing choice vouchers.

To meet the funding requirements of operating deficits that would otherwise result from the essential services that PHA provides, PHA receives subsidies, primarily from HUD, in the form of annual grants for operating assistance, contributions for capital and reimbursement of expenditures incurred for certain federal housing programs, and/or debt service payments. Subsidies are established through budgetary procedures, which establish amounts to be funded by the grantor agencies. From time to time, PHA receives additional special purpose grants from HUD and/or other grantor agencies that are generally awarded on a competitive basis.

PHA is governed by a Board of Commissioners whose structure is defined by legislation approved by the Pennsylvania Legislature and signed into law by the Governor in July 2012. Under current Pennsylvania law, the Mayor of Philadelphia appoints a nine-member PHA Board of Commissioners, subject to the approval of the Philadelphia City Council. The Board of Commissioners appoints the President and Chief Executive Officer (the office formerly known as Executive Director) to oversee and direct all of PHA operations. In March 2013, following a national search effort, the Board of Commissioners appointed Kelvin A. Jeremiah as PHA's President and Chief Executive Officer of PHA. Mr. Jeremiah had previously served as PHA's HUD-appointed Administrative Receiver and Interim Executive Director since June 2012.

Note 2. Summary of Significant Accounting Policies

Reporting Entity

In determining how to define the reporting entity, management has considered all potential component units to PHA. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The decision to include a component unit in the reporting entity using the blending method or by discrete presentation was made by applying the criteria set forth in Sections 2100 and 2600 of the Governmental Accounting Standards Board *Codification of Governmental Accounting and Financial Reporting Standards*.

PHA's financial statements include four blended component units in compliance with GASB. These are legally separate entities for which PHA has operational responsibility and are controlled by PHA. There is a financial benefit/burden relationship between PHA and the component units and the services provided are entirely or almost entirely to the benefit of PHA.

PHA's financial statements also include 39 discrete component units which consist of Limited Partnerships, Limited Liability Corporations and Alternate Managed Entities and fully described in Note 17.

One blended and all the discrete component units are reported on a three-month time lag as of December 31, 2014.

Note 2. Summary of Significant Accounting Policies (Continued)

Reporting Entity (Continued)

The blended component units and discretely presented units are listed in Note 17. The component units also issue stand-alone financial reports. These reports can be obtained from the office of the Chief Financial Officer of the Authority located at 1800 S. 32nd Street, Philadelphia, PA 19145.

Description of Financial Statements

The basic financial statements include the accounts of PHA ("primary government"), the fiduciary fund type – pension trust fund and PHA's component units.

All of PHA's programs are accounted for as a single enterprise fund, which is a type of proprietary fund. Enterprise funds are used to report any activity for which a fee is charged to external users for goods or services. The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position and cash flows. The generally accepted accounting principles (GAAP) applicable are those similar to businesses in the private sector.

The notes to the financial statements are an integral part of the financial statements.

Basis of Accounting

Proprietary funds and fiduciary funds are presented on the accrual basis of accounting. Non exchange revenues, including intergovernmental grants and subsidies, are reported when all eligibility requirements have been met. Fees and charges and other exchange revenues are recognized when earned and expenses are recognized when incurred.

Federal Programs

Grant programs are subject to financial and compliance audits by the grantors or their representatives. Management believes PHA's potential future liability for disallowances resulting from these audits will not have an adverse impact on the financial statements of PHA.

PHA received approximately 86.9% of its fiscal 2015 operating subsidies from HUD under the Low-Rent Housing and Section 8 Programs. Descriptions of the primary PHA programs follow:

Low-Rent Housing Program: This program provides low-rent housing to qualified residents of the City of Philadelphia. All units are owned and operated by PHA and were purchased with financing arranged or provided through HUD. The operations of the program are subsidized by HUD through Annual Contributions Contract W-55. Operating subsidy contributions for the year ended March 31, 2015 were **\$116,902,704** and are included in operating subsidies in the combined statement of revenues, expenses and changes in net position.

Section 8 Programs: The Section 8 Programs - Housing Choice Voucher Programs - include Moving to Work, Substantial Rehabilitation, Moderate Rehabilitation, Rental Vouchers, and Single Room Occupancy programs. These programs were authorized by Section 8 of the National Housing Act and provide housing assistance payments to private, not-for-profit or public landlords to subsidize rentals for low-income persons. HUD contributions for Section 8 programs under Annual Contributions Contract P-4601 are included in operating subsidies in the statement of revenues, expenses and changes in net position as follows:

Housing Choice Voucher Program	\$ 194,625,524
Mainstream	505,128
Moderate Rehabilitation	1,869,236
Single Room Occupancy	1,849,861
	<u>\$ 198,849,749</u>

Note 2. Summary of Significant Accounting Policies (Continued)

Federal Programs (Continued)

- **Moving-to-Work Program:** The Moving-to-Work (MTW) Demonstration Program is focused on helping families achieve self-sufficiency and on improving and increasing the stock of quality affordable housing throughout the City. It will furnish convenient and comprehensive services to families to assist them in reaching their full potential, with an emphasis on education, job training and placement, self-sufficiency, and preparation for homeownership. In addition, MTW will promote the revitalization of neighborhoods where MTW and MTW-eligible families live.
- **Substantial Rehabilitation Programs:** The Section 8 Substantial Rehabilitation programs allow for construction of low-income housing units to be subsidized for a contracted period of time. Both for-profit and not-for-profit developers may provide low-income housing under this program. Developers must obtain their own financing and HUD subsidizes rents once the units are occupied.
- **Moderate Rehabilitation Program:** This program provides for the rehabilitation of housing units, which then must be rented to low-income individuals for a contracted period of time. Both for-profit and not-for-profit developers may participate in this program. Under this program, developers must obtain their own rehabilitation financing and then HUD subsidizes rents, once the units are occupied, in such amounts sufficient to cover the developer's debt service payments on the financing.
- **Housing Choice Voucher Program:** This program allows for existing privately-owned housing units to be used for low-income housing. This program assists low-income families and persons to find and lease a house or apartment. After inspecting the unit, PHA assists the resident in negotiating a lease under HUD rules and regulations for the program. The resident pays a share of the rent according to HUD guidelines, and the remainder is subsidized by PHA through HUD funding.

PHA earns a fee from HUD for administering the Housing Choice Voucher Program. This fund accounts for the revenues and expenses associated with providing administrative services.

In addition to the above primary programs, PHA administers the following:

- Senior Program
- Summer Food Program
- Congregate Housing Services Program
- Summer Youth Program - "Youth Works"
- Homeownership
- Nursing Home Assistance
- GREAT Program
- Pre-Apprenticeship

Budgets

Budgets are prepared on an annual basis for each major operating program and are used as a management tool throughout the accounting cycle. The capital fund budgets are adopted on a "project" basis. Beginning with the budget prepared for the year ending March 31, 2015, budgets are subject to approval by PHA's Board of Commissioners.

Cash and Cash Equivalents

PHA considers all securities, including certificates of deposit, and short-term investments, with original maturities of three months or less to be cash equivalents. Portions of PHA's cash, cash equivalents and investments are restricted by "use" limitations externally imposed by creditors, funding source agreements, or legislation.

Investments

Investments are stated at fair value, generally based on quoted market prices or market values of similar investment securities. Income from investments is recognized on the accrual basis.

Note 2. Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets include land, structures and equipment recorded at cost and are comprised of initial development costs, property betterments and additions, and modernization program costs. Assets capitalized generally have an original cost of five hundred dollars (\$500) or more, and a useful life in excess of one year. PHA depreciates these assets over their estimated useful lives using the straight-line method of depreciation. The useful lives are as follows:

Buildings	40 years
Building improvements	15 years
Roofs	10 years
Heavy equipment	7 years
Automobiles	5 years
Equipment	5 years
Computer equipment	3 years

Maintenance and Repairs

Maintenance and repair costs considered necessary to maintain facilities in good operating condition are charged to operations as incurred.

Impairment of long-lived assets

PHA and its Component Units review their rental properties for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When recovery is reviewed for the component units, if the undiscounted cash flows estimated to be generated by the property are less than its carrying amount, management compares the carrying amount of the property to its fair value in order to determine whether an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value.

Accounts Receivable

Management reviews the collectability of all accounts receivable on a periodic basis. An allowance for doubtful accounts has been established based on the history of past write-offs and collections, and current credit conditions.

Compensated Absences

A liability is recorded for compensated absences attributable to services already rendered and not contingent on a specific event outside the control of PHA and its employees, as employees earn the right to the benefits. Compensated absences that relate to future services or that are contingent on a specific event outside the control of PHA and its employees are accounted for in the period in which such services are rendered or in which such events take place.

Income Taxes

PHA is a Pennsylvania municipal authority and, as such, is exempt from income taxes and other state and local taxes. PHA believes it has not engaged in any activities for which its tax-exempt status would not be sustained under Internal Revenue Service examination or that would require filing of an income tax return for unrelated business income taxes.

Use of Restricted Assets

When both restricted and unrestricted resources are available for a particular restricted use, it is PHA's policy to use restricted resources first, and then unrestricted resources as needed.

Operating Revenues and Expenses

PHA defines its operating revenues as income derived from charges to residents and others for services provided, and in the management of PHA assets. Its operating expenses are costs incurred in the operation of its program activities to provide services to residents and others. PHA classifies other revenues and expenses as non-operating.

Note 2. Summary of Significant Accounting Policies (Continued)

Net Position Classifications

Net position is reported in three components:

- a. **Net investment in capital assets** – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. **Restricted** – Consists of net position restricted to specific uses either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. **Unrestricted** – All other net position that does not meet the definition of “restricted” or “net investment in capital assets”. In instances where unrestricted or restricted resources may be used to fund expenditure, the Authority will initially use restricted assets.

Subsequent Events

Management has evaluated subsequent events through November 19, 2015, which is the date the financial statements were available to be issued.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates

New Accounting Standards Adopted

In January 2012, GASB issued Statement No. 67, *Financial Reporting for Pension Plans* – an amendment of GASB Statement No. 25. The objective of this Statement is to improve financial reporting by state and local governmental pension plans. The Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirements of Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and No 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts that meet certain criteria. The provisions of this Statement became effective for fiscal periods beginning after June 15, 2013. The adoption of this statement, effective November 1, 2013 for the Fiduciary Fund, resulted in additional disclosures in the notes to the basic financial statements.

In January 2013, GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations* (“GASB 69”). The objective of this Statement is to improve the accounting for mergers and acquisitions among state and local governments by providing guidance specific to the situations and circumstances encountered within the government environment. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2013. The adoption of this standard did not have an impact on the Authority’s financial statements.

In February 2013, GASB issued Statement No. 70, *Accounting and Financial Reporting for Non-Exchange Financial Guarantees* (“GASB 70”). The objective of this Statement is to improve the comparability of financial statements among governments by requiring consistent reporting by those governments that extend and/or receive non-exchange financial guarantees. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2013. The adoption of this standard did not have an impact on the Authority’s financial statements.

Note 2. Summary of Significant Accounting Policies (Continued)

Accounting Standards Issued But Not Yet Adopted

GASB Statement No. 68 ("GASB 68"), *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, was issued in June 2012. This Statement establishes financial reporting standards for state and local governmental pension plans, defined benefit pension plans and defined contribution pension plans that are administered through trusts or equivalent arrangements in which:

- 1) Contributions from employers and nonemployer contributing entities to the pension plan and earnings on those contributions are irrevocable.
- 2) Pension plan assets are dedicated to providing pensions to plan members in accordance with the benefit terms.
- 3) Pension plan assets are legally protected from the creditors of employers, nonemployer contributing entities, and the pension plan administrator. If the plan is a defined benefit plan, plan assets also are legally protected from creditors of the plan members.

The requirements of GASB 68 apply to the financial statements of all state and local governmental employers whose employees (or volunteers that provide services to state and local governments) are provided with pensions through pension plans that are administered through trusts that meet certain criteria and to the financial statements of state and local governmental nonemployer contributing entities that have a legal obligation to make contributions directly to such pension plans. The requirements apply whether the government's financial statements are presented in stand-alone financial reports or are included in the financial reports of another government.

GASB 68 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures. For defined pension plans, GASB 68 identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employer service. Note disclosure and required supplementary information requirements about pensions are also addressed.

GASB 68 replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, and Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

The provisions of GASB 68 are effective for financial statements for fiscal years beginning after June 15, 2014. Earlier application is encouraged. The impact of adopting GASB 68 on April 1, 2015 is estimated to result in an increase in net pension liability and net deferred inflows of resources of approximately \$58.1 million and \$0.3 million, respectively that will decrease in net position of approximately \$58.4 million in the statement of net position (see Note 12).

Note 2. Summary of Significant Accounting Policies (Continued)

Accounting Standards Issued But Not Yet Adopted (Continued)

GASB Statement No. 71 ("GASB 71"), *Pension Transition for Contributions Made Subsequent to the Measurement Date* – An amendment of GASB Statement No. 68, requires a state or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources. In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events. At transition to Statement 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement 68 requires that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported.

GASB Statement No. 72 ("GASB 72"), *Fair Value Measurement and Application*, defines fair value and describes how fair value should be measured, what assets and liabilities should be measured at fair value, and what information about fair value should be presented in the notes to the financial statements. The provisions of this Statement are effective for periods beginning after June 15, 2015.

GASB Statement No. 73 ("GASB 73"), *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* were issued in June 2015.

This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68 for pension plans and pensions that are within their respective scopes.

The provisions in GASB 73 are effective for fiscal years beginning after June 15, 2015—except those provisions that address employers and governmental non-employer contributing entities for pensions that are not within the scope of Statement 68, which are effective for fiscal years beginning after June 15, 2016.

GASB Statement No. 75 ("GASB 75"), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, was issued in June 2015 and establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain non-employer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities.

This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans.

Note 2. Summary of Significant Accounting Policies (Continued)

Accounting Standards Issued But Not Yet Adopted (Continued)

The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

The provisions in GASB 75 are effective for fiscal years beginning after June 15, 2017.

GASB Statement No. 76 ("GASB 76"), *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* became effective in June 2015.

The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively.

PHA's management is currently evaluating these new standards to determine what impact they will have on the Authority.

Note 3. Cash and Investments

PHA's investment policies are designed to ensure compliance with Federal and State regulations including, but not limited to requirements set forth by HUD and Commonwealth of Pennsylvania guidelines (The Pennsylvania Public Funds Act). These policies restrict PHA's investments to obligations of the U.S. Treasury, U.S. Government agencies, and their instrumentalities. PHA's current investment strategy involves a consideration of the basic risks of fixed-income investing, including interest rate risk, market, risk, credit risk and re-investment risk. In managing these risks, the primary factors considered are safety of principal, yield, liquidity, maturity and administrative costs.

All investments are held in secured custody accounts in the name of PHA. All investments are publicly traded and the fair value was based on published quoted values or quoted values of similar securities.

It is PHA's policy to maintain a tri-party collateralization arrangement in accordance with the requirements of both HUD and the Commonwealth of Pennsylvania.

HUD defines three custodial credit risk categories for deposits as follows:

- (1) Insured or collateralized with securities held by the entity or by its agent (correspondent bank or Federal Reserve Bank) in the entity's name.
- (2) Collateralized with securities held by the pledging financial institution, trust department or agent in the entity's name.
- (3) Uncollateralized or collateralized with securities held by the pledging financial institution or by its trust department or agent, but not in the entity's name.

Note 3. Cash and Investments (Continued)

At March 31, 2015 cash and investments consisted of the following:

	Fair Value	Carrying Amount
Primary Government - cash		
Money market funds - Government Obligations	\$ 68,337,174	\$ 68,337,174
Money market funds - Banks	1,708,734	1,708,734
Demand deposits	5,388,516	5,388,516
Workman's compensation escrow fund held by third party	10,793,391	10,793,391
Petty cash	2,650	2,650
Total cash	86,230,465	86,230,465
Primary Government		
U.S. Government securities	57,331,111	57,331,111
Total cash and investments	\$ 143,561,576	\$143,561,576

Reconciliation of detail to statement of net position:

	Primary Government	Component Units
Cash and cash equivalents	\$ 64,863,260	\$ 6,891,398
Investments unrestricted	54,323,835	-
Restricted cash	21,367,205	24,827,707
Restricted investments	3,007,276	-
	\$ 143,561,576	\$ 31,719,105

Unrestricted cash and cash equivalents consist mainly of demand deposits which are earmarked towards the funding of certain liabilities and future obligations and used for day-to-day operations. All funds on deposit are FDIC insured up to \$250,000 per institution or are fully collateralized in accordance with guidance recommended by HUD. Depository accounts maintaining federal funds are fully collateralized by Treasury and/or Federal Agency securities.

Securities are held with a third-party custodian financial institution. The collateral for the securities must be held in an account separate and apart from the assets of the financial institution.

Note 3. Cash and Investments (Continued)

Restricted cash and investments at March 31, 2015 pertain to the following:

	Primary Government	Component Units
Cash		
Resident security deposits	\$ 799,191	\$ 539,448
Affordability reserves	-	2,699,624
Replacement reserves	-	7,903,833
Investment equity reserves	-	565,808
Operating reserve	-	6,270,256
Trustee reserves	-	558,704
Section 8 HAP equity reserves	9,633,400	-
Workman's compensation escrow fund held by third party	10,793,391	-
Affordability reserves and others	14,959	-
Other reserves	126,264	6,290,234
	<u>21,367,205</u>	<u>24,827,707</u>
Investments		
Affordability reserves and others	3,007,276	-
	<u>3,007,276</u>	<u>-</u>
	<u>\$ 24,374,481</u>	<u>\$ 24,827,707</u>

Total bank balances for primary government and component units as of March 31, 2015 were \$5.8 million and \$5.0 million, respectively.

Additional information about PHA's Investment portfolio is presented below:

	AMOUNT	MATURITY		RATING	
		0 - 12 Months	1 - 2 Years	S&P	Moody
Cash Equivalents					
First American Government Obligations Fund	\$ 68,337,174	\$ -	\$ -	N/A	N/A
Wells Fargo	1,708,734	-	-	N/A	N/A
	<u>\$ 70,045,908</u>	<u>\$ -</u>	<u>\$ -</u>		
Federal Home Loan Bank	\$ 2,992,785	\$ 1,575,841	\$ 1,416,944	AAA	AA+
Federal Farm Credit Bank	652,715	652,715	-	AAA	AA+
Federal Home Loan Mortgage Corporation	7,708,908	2,498,489	5,210,419	AAA	AA+
Federal National Mortgage Association	6,007,922	3,610,151	2,397,771	AAA	AA+
U.S. Treasury Obligations	39,958,781	34,161,312	5,807,469	AAA	N/A
	<u>\$ 57,331,111</u>	<u>\$ 42,498,508</u>	<u>\$ 14,832,603</u>		

Note 3. Cash and Investments (Continued)

Credit Risk

Credit risk is defined as the risk associated with an issuer of an investment who may not fulfill its obligation to the holder of the investment. The PHA mitigates this credit risk by investing only in approved securities rated in the highest category of at least one of the following three national rating agencies (Standard & Poor's, Moody's and Fitch).

Concentration of Credit Risks

PHA mitigates concentration risk by permitting no more than 10 percent of the operating portfolio value to be invested in securities issued by a single entity. This limit shall not apply to cash or cash equivalents or investments guaranteed by the full faith and credit of the United States of America. PHA strives to invest only in AA and AAA rated Federal Agency and/or US Treasury securities. Therefore PHA's policy does not place a limit on investments with any one issuer. PHA's demand deposits are maintained in fully collateralized Money Market and interest bearing accounts. Consequently, PHA does not limit deposits to any one bank. Nevertheless, PHA strives to diversify holdings in cash and cash equivalents, whenever possible, to further minimize any potential concentration of credit risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest will adversely affect the fair value of PHA's investment portfolio. In accordance with PHA's investment policy, interest rate risk is mitigated by investing mostly in US Treasury securities, or securities issued by the US Government and their instrumentalities. To further mitigate this risk, the PHA ensures at least 40% of its aggregate portfolio matures within one year.

Custodial Credit Risk

Custodial credit risk is contingent on the health of a depository financial institution. In the event of the failure of a depository financial institution that holds PHA funds or investments, PHA may not be able to recover its deposits, or be able to recover collateral securities that are in the possession of an outside party. PHA mitigates the risk by monitoring the financial stability of such depository banks and trust agents holding said collateral. In order to protect against this risk, PHA prohibits custodial banks from holding securities purchased for the PHA and purchasing such securities from brokers or dealers related to the custodial bank, unless a provision to the contrary is negotiated with and agreed to by PHA as part of a credit or borrowing program.

Restricted Funds

PHA and Component Units maintain funds that are restricted in use either by contractual agreement or at the specific direction of HUD. Some of these restricted funds are held by third-party trustees. These restricted funds are available for disbursement for their intended uses.

For the Fiduciary Fund:

Method Used to Value Investments

Investments are reported at fair value based on quoted market prices. Short-term investments are reported at cost, which approximates fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates. All Plan assets are managed by outside fund managers.

Note 3. Cash and Investments (Continued)

The fair value of the Plan's investments by fund manager, including short-term investments of \$2,064,536 for 2014, included in cash and cash equivalents on the Statement of Fiduciary Net Position are as follows:

	2014
<i>Equity Fund Managers:</i>	
Morgan Stanley	\$ 31,234,531
Prudential	21,844,103
Waddell & Reed	18,371,078
Hemdon Capital	16,903,806
Grantham Mayo Van Otterloo & Co., LLC (GMO)	15,098,646
Chartwell Investments	10,975,109
Westfield Capital	10,822,263
Total Equities	125,249,536
<i>Fixed Income Fund Managers:</i>	
Prudential	\$ 46,531,012
City of London	21,389,911
Loomis, Sayles & Co	14,804,211
Hughes Capital	1,745,022
Total fixed income	84,470,156
TOTAL INVESTMENT BY FUND MANAGER	\$ 209,719,692

Deposits and Investments

Accounting Standards require that deposits and investment risks that have a potential for loss be disclosed. These investments and deposits that are uninsured, and not registered in the name of the Plan, and are held by either (a) the counterparty or (b) the counterparty's Trust Department agent, but not in the Plan's name. No such investments or deposits were noted under the Plan.

Pursuant to the Plan's investment policy, the Plan may invest in the following types of investments: domestic and international equities, domestic debt, global debt, global fixed income, private equity and real estate.

Investments that represent 5 percent or more of fair value of the Plan's assets available for benefits at October 31 are as follows:

	2014
<i>Equity Fund Managers:</i>	
Prudential Core Bond Enhancement Index	\$ 44,425,560
Morgan Stanley International Equity Fund	31,234,531
Prudential Dryden S&P 500 Index	21,844,103
City of London Emerging Free Markets Country Fund	21,389,911
Waddell & Reed	18,371,078
Hemdon Capital	16,903,806
GMO Global Asset Allocation Fund III	15,098,646
Loomis Sayles Multi Sector Full Discretion Fund	14,804,211
Chartwell Investments	10,975,109
Westfield Capital	10,822,263

Note 4. Receivables

Rents are due from tenants on the first day of each month. As a result, tenant receivable balances primarily consist of rents past due and due from vacated tenants. An allowance for doubtful accounts is established to provide for accounts which may not be collected in the future for any reason.

Accounts receivable at March 31, 2015 was comprised of the following:

	Primary Government	Component Units
Tenant receivables	\$ 715,948	\$ 1,157,261
Due from HUD	43,396,600	-
Accrued interest	96,455	-
Development fees	7,270,375	-
Due from affiliates	4,980,573	-
Miscellaneous	2,126,466	2,020,074
	<u>58,586,417</u>	<u>3,177,335</u>
Less allowance for doubtful accounts	(5,100,345)	(717,585)
	<u>\$ 53,486,072</u>	<u>\$ 2,459,750</u>

Due from HUD mainly represents MTW Revenues from HCV Section 8 Programs held by HUD under the Cash Management System. Under the MTW Agreement, PHA has legal claims on the funds which are available to be requested from HUD upon submission of the allowable expenditures under the MTW Agreement.

Note 5. Other Assets

Other assets at March 31, 2015 were comprised of the following:

	Primary Government	Component Units
Current		
Prepaid expenses	\$ 197,316	\$ 886,390
Materials and supplies, net	1,359,026	-
	<u>\$ 1,556,342</u>	<u>\$ 886,390</u>
Noncurrent		
Turnkey homes held for resale	\$ 88,011	\$ -
Advances to acquire property	10,000,000	-
Other	-	2,190,446
	<u>\$ 10,088,011</u>	<u>\$ 2,190,446</u>

PHA entered into an agreement with the Philadelphia Redevelopment Authority (PRA) to use PHA's powers of eminent domain to condemn privately and publicly owned properties in the Blumberg / Sharswood area of Philadelphia for redevelopment. The initial condemnation plan forecast is approximately \$44 million dollars for the acquisition of over 1000 properties. This amount may be adjusted based on the final property appraisals and valuation. The valuation includes the market rate cost to purchase residential lots, commercial lots, residential structures, commercial structures, and related administrative costs.

The redevelopment plan will encompass developing 1,200 new units, including affordable rental units and affordable homeownership units. PHA also plans to build market rate units for rent and for sale, retail space, a renovated school and recreational center, and new athletic fields. The transformations will double the number of PHA affordable housing units in Blumberg / Sharswood area. PHA has transferred \$10,000,000 to PRA to cover costs associated with the initial property acquisition and condemnation undertakings.

Note 6. Capital Assets

Capital assets for the year ended March 31, 2015 were as follows:

Primary Government	Beginning Balance	Increases	Decreases	Transfers	Adjustments	Ending Balance
Capital assets not being depreciated						
Land	\$ 23,609,111	\$ -	\$ (23,728)	\$ -	\$ -	\$ 23,585,382
Construction in progress	24,036,327	15,675,839	-	-	-	39,712,166
Capital assets being depreciated						
Building and improvements	1,496,738,567	51,194	(1,294,435)	(2,129,378)	-	1,493,365,948
Equipment - dwelling	1,131,169	143,473	(29,480)	-	-	1,245,164
Equipment - administration	21,444,173	4,027,737	(3,090,462)	2,129,378	-	24,510,826
Total Capital Assets	1,568,959,347	19,898,243	(4,438,105)	-	-	1,582,419,485
Less: accumulated depreciation	(949,539,111)	(57,835,027)	4,277,866	-	(143,879)	(1,003,240,151)
Net Capital assets	\$ 617,420,236	\$ (37,936,784)	\$ (160,239)	\$ -	\$ (143,879)	\$ 579,179,333
Discrete Component Units						
Capital assets not being depreciated						
Land	\$ 5,593,652	\$ -	\$ (19,828)	\$ -	\$ -	\$ 5,573,824
Construction in progress	-	3,478,033	-	-	-	3,478,033
Capital assets being depreciated						
Building and improvements	616,104,499	79,405	(38,509,874)	-	-	577,674,029
Equipment - dwelling	546,036	9,809	-	-	-	555,845
Equipment - administration	3,854,252	34,097	(550,639)	-	-	3,337,710
Total Capital Assets	626,098,439	3,601,344	(39,080,341)	-	-	590,619,441
Less: accumulated depreciation	(144,958,017)	(16,737,222)	11,690,761	-	-	(150,004,478)
Less: impairment loss	(27,314,059)	-	27,314,059	-	-	-
Net Capital assets	\$ 453,826,363	\$ (13,135,878)	\$ (75,521)	\$ -	\$ -	\$ 440,614,963

Construction in progress represents costs incurred on open development projects or on major improvement projects. PHA recognizes Construction in Progress on the accompanying statement of net position until such time as the assets are placed in service and transferred to the applicable capital asset class on a development by development basis. These projects were at various stages of completion at March 31, 2015. Upon transfer to the proper capital asset class, these capital assets will be depreciated over their estimated useful lives. As of March 31, 2015, PHA has committed approximately \$40 million of additional funds to construction contracts related to these development projects.

Note 7. Mortgages Receivable

Mortgages receivable are summarized as follows:

Non-Interest-bearing note due from Philadelphia Redevelopment Authority ("PRA")	\$ 34,059,453
Amounts due from PHA component units, at interest rates ranging from -0%- to 5.46% (Note 9)	295,360,535
Mortgage receivable from PRA and component units	329,419,988
Accrued interest - Component units	47,225,944
	<u>\$ 376,645,932</u>

Note 7. Mortgages Receivable (Continued)

The amount due from PRA is in connection with the rehabilitation of the rental housing project "The Courtyard Apartments at Riverview," which is owned by Southwark Plaza Limited Partnership (Southwark), a component unit of PHA. The loan resulted from a HUD grant to PHA, which PHA subsequently provided to the project to repay tax-exempt mortgage notes issued by PRA. Repayment is due upon final settlement with PRA and limited to the amount of the property collateralized by Southwark.

The amounts due from the component units represent advances of various HUD grants under the Moving to Work Program, Hope VI Program and other capital fund programs. The offsetting liability of the discrete component units is included in long-term debt and accrued interest (Note 9). The mortgage and interest receivables and the respective liabilities net to zero with the exception of \$3,543,720 in advances made to component units and timing difference of interest receivables/payables between December 31, 2014 and March 31, 2015.

The repayment schedule is as follows:

Year Ending March 31

2016-2036	-
2037	35,682,801
2038-2042	120,213,349
2043-2047	32,913,656
2048-2052	17,804,880
2053-2057	27,895,532
2058-2062	82,045,684
2063-2067	58,956,435
2068-2072	1,133,595
	<u>376,645,932</u>

Note 8. Unearned Revenue and Other Current Liabilities

Unearned revenue and other liabilities at March 31, 2015 consisted of the following:

	Primary Government	Component Units
Accrual for workers' compensation claim (Note 10)	\$ 5,000,000	\$ -
Due to affiliates	3,882,108	2,475,168
Unearned revenues	2,208,694	180,748
Escrow accounts	58,064	-
Other payables	24,285	-
	<u>\$ 11,173,151</u>	<u>\$ 2,655,916</u>

Note 9. Long-Term Debt

Long-term debt is summarized as follows:

	Beginning Balance	Additions	Repayments	Amortization	Ending Balance	Due within 1 year
Primary Government						
Bonds	\$ 55,150,000	\$ -	\$ 4,575,000	\$ -	\$ 50,575,000	\$ 4,815,000
Unamortized bond premium	622,958	-	-	228,568	394,390	-
	<u>\$ 55,772,958</u>	<u>\$ -</u>	<u>\$ 4,575,000</u>	<u>228,568</u>	<u>\$ 50,969,390</u>	<u>\$ 4,815,000</u>
Discrete Component Units						
Bonds	\$ 23,695,000	\$ -	\$ 23,695,000	\$ -	\$ -	\$ -
Notes due to PHA	280,925,984	16,091,364	-	-	297,017,348	-
Other notes	57,957,364	-	780,398	-	67,176,966	358,440
	<u>\$ 362,578,348</u>	<u>\$ 16,091,364</u>	<u>\$ 24,475,398</u>	<u>\$ -</u>	<u>\$ 364,194,314</u>	<u>\$ 358,440</u>

Borrower/Description

Primary Government	Due Third Parties	Due PHA
Tasker Capital Fund Revenue Bonds, Series A of 2002; interest at rates ranging from 1.5% to 5.5% payable each June 1 and December 1; annual principal payments due each December 1 through 2021	\$ 39,575,000	\$ -
Tasker II Capital Fund Revenue Bonds, Series D of 2003; 4.75% interest payable each June 1 and December 1 annual principal payments due 2017 through 2022	11,000,000	-
	<u>\$ 50,575,000</u>	<u>\$ -</u>

Discrete Component Units	Due Third Parties	Due PHA
0.5% mortgage note collateralized by 8 Diamonds property; principal and interest; due in 2040	\$ -	\$15,968,970
5.46% mortgage note collateralized by Cambridge Plaza property; principal and interest due in 2042	-	2,579,029
5.23% mortgage note collateralized by Cambridge Plaza II property; principal and interest due in 2058	-	3,593,093
5.23% mortgage note collateralized by Cambridge III property; principal and interest due in 2059	-	3,041,325
Applicable federal rate mortgage note collateralized by Germantown House property; principal and interest due in 2061	-	5,687,912
Non-interest-bearing mortgage note collateralized by Germantown House property; due in 2059	-	2,500,000
2.80% mortgage note during construction period; then 0% after completion; collateralized by Gordon Street LLC property; principal and interest due in 2044	-	377,811
Applicable federal rate mortgage note collateralized by LEB II property; principal and interest due in 2060	-	4,201,075
4.79% mortgage note collateralized by LEB III property principal and interest due in 2061	-	2,944,341

Note 9. Long-Term Debt (Continued)

Discrete Component Units	Due Third Parties	Due PHA
1% mortgage note collateralized by <i>Ludlow Scattered Sites</i> property; principal and interest due in 2052	-	6,050,000
5.31% mortgage note collateralized by <i>Ludlow Scattered Sites</i> property; principal and interest due in 2062	-	5,495,499
Non-interest-bearing mortgage note collateralized by <i>Mantua I LP</i> property; maximum loan amount is \$3,427,110; due in 2059	-	3,427,110
4.17% mortgage note collateralized by <i>Mantua I LP</i> property; maximum loan amount is \$4,972,070; due in 2059	-	4,972,070
Non-interest bearing mortgage notes due 2059-2060 collateralized by <i>Mantua II</i> property	-	9,672,707
Non-interest-bearing mortgage note collateralized by <i>Mantua II</i> property	2,000,000	-
3% mortgage note collateralized by <i>Marshall Shepard Village</i> property; principal and interest due in 2062	-	14,395,705
Mortgage note collateralized by <i>Mill Creek I</i> property; interest at Applicable Federal Rate of 4.66%, principal and interest due in 2049	-	6,103,752
5.12% mortgage note collateralized by <i>Mt. Olivet</i> property; due in 2055	-	6,492,641
0.01% mortgage note collateralized by <i>Mt. Olivet</i> property; due in 2058	-	3,247,525
5.15% mortgage note collateralized by <i>Nellie Reynolds Gardens</i> property; principal and interest due in 2062	-	2,848,291
7% mortgage note collateralized by <i>Neumann North</i> property; due in monthly installments of \$2,123 in 2021	248,865	-
7.25% mortgage note collateralized by <i>Neumann North</i> property; due in monthly installments of \$3,353 in 2015	350,128	-
Non-interest bearing mortgage note collateralized by <i>Neumann North</i> property; due in 2035	1,665,000	-
4.83% mortgage note collateralized by <i>Neumann North</i> property; principal and interest due in 2060	-	2,000,000
2% mortgage note collateralized by the <i>Norris Apartments</i> property; principal and interest due in 2066	-	12,207,241
Non-interest-bearing bridge note collateralized by the property of <i>Norris Apartments LP</i>	-	7,127,236
2.80% mortgage note during construction period; then 0% after completion; collateralized by <i>Oakdale Street LLC</i> property; principal and interest due in 2044	-	587,462
Non-interest-bearing bridge note collateralized by <i>Paschall I</i> due in full on the date the fourth equity installment is made	-	6,144,372
2% mortgage note collateralized by <i>Paschall I</i> property due 2065	-	10,657,385
2% mortgage note collateralized by <i>Paschall II</i> property due 2065	-	14,698,348
Non-interest-bearing bridge note collateralized by <i>Paschall II</i> property due with the 4th equity installment payment	-	3,410,204
Non-interest-bearing note payable collateralized by <i>Queen Lane LP</i> ; due in 2069	-	1,133,855

Note 9. Long-Term Debt (Continued)

Discrete Component Units	Due Third Parties	Due PHA
0.1% mortgage note collateralized by <i>Richard Allen</i> property; Principal and interest due in 2041	-	22,190,978
0.10% mortgage note collateralized by <i>Ridge Avenue Housing</i> property; principal and interest due in 2041	-	18,187,838
Non-interest-bearing note payable collateralized by <i>Ridge Avenue housing</i> ; due in 2041	181,439	-
Non-interest-bearing mortgage note collateralized by <i>Southwark Plaza</i> property; due upon final settlement with PRA, as defined	34,059,453	-
Non-interest-bearing mortgage note collateralized by <i>Southwark Plaza</i> property; due in 2030	3,000,000	-
Non-interest-bearing mortgage note collateralized by <i>Southwark Plaza</i> property; due in 2037	-	1,623,348
Non-interest-bearing mortgage note collateralized by <i>Spring Garden Historic LP</i> due in 2039	1,812,625	-
6% mortgage note collateralized by <i>Spring Garden Historic LP</i> property	-	1,900,000
Non-interest-bearing mortgage note collateralized by <i>Spring Garden Historic LP</i> due in 2041	2,700,000	-
Non-interest-bearing mortgage note collateralized by <i>Spring Garden Historic LP</i> due in 2048	2,000,000	-
Non-interest-bearing mortgage note collateralized by <i>Spring Garden Historic LP</i> due in 2038	429,800	-
3.0% mortgage note collateralized by <i>Spring Garden Housing LP</i> due in 2045	500,000	-
6.55% mortgage note collateralized by <i>Spring Garden Housing LP</i> due in 2045	1,290,000	-
Non-interest-bearing mortgage note collateralized by <i>Spring Garden Housing LP</i> due in 2045	209,534	-
Non-interest-bearing mortgage note due in 2045; collateralized by <i>Spring Garden Housing</i> property	1,861,700	-
6.55% mortgage note collateralized by <i>Spring Garden Housing LP</i> due in 2015	180,000	-
6.55% mortgage note collateralized by <i>Spring Garden Housing LP</i> due in 2045	-	1,900,000
5.12% mortgage note collateralized by <i>Spring Garden Housing LP</i> due in 2045	-	1,039,083
6.55% note payable; <i>Spring Garden Housing LP</i> principal and interest due in 2031	51,000	-
Non-interest bearing unsecured note payable <i>Spring Garden Housing LP</i>	15,000	-
Non-interest-bearing mortgage note collateralized by <i>St. Anthony's Senior Residences</i> property; due in annual installments from 2030 through 2039	1,500,000	-
5.67% mortgage note collateralized by <i>St. Anthony's Senior Residences</i> property; due in annual installments from 2030 to 2039	150,000	-
Non-interest-bearing note collateralized by <i>Angela Court/ St. Ignatius Sr. Housing I</i> property; due in 2033	956,667	-

Note 9. Long-Term Debt (Continued)

Discrete Component Units	Due Third Parties	Due PHA
5.43% mortgage note collateralized by <i>Angela Court/ St. Ignatius</i> Sr. Housing property; principal and interest due in 2033	315,000	-
5.43% mortgage note collateralized by <i>Angela Court/St. Ignatius</i> Sr. Housing property; principal and interest due in 2033	350,000	-
Non-interest-bearing note collateralized by <i>Angela Court/St. Ignatius</i> Senior property; principal and interest due in 2023	500,755	-
5.2% mortgage note collateralized by <i>Angela Court/St. Ignatius</i> Senior Housing property; principal and interest due in 2044	-	362,000
4.46% mortgage note collateralized by <i>Angela Court II/St. Ignatius</i> 2 LP property; principal and interest due in 2038	450,000	-
10% mortgage note collateralized by <i>Angela Court III/ St. Ignatius</i> 2 LP property; principal and interest due in 2048	-	300,000
Note payable under subsidy agreement for <i>Angela Court II/St. Ignatius</i> 2 LP no repayment if meet AHP regulations for 15 years	350,000	-
10% mortgage note collateralized by <i>Angela Court II/St. Ignatius</i> 2 LP property; principal and interest due in 2038	50,000	-
5.05% mortgage note collateralized by <i>Suffolk Manor</i> property; due in 2041	-	3,203,795
5.23% mortgage note collateralized by <i>Suffold Manor</i> property; due in 2042	-	6,390,155
0.50% bridge note collateralized by <i>Suffolk Manor</i> property; due in 2042	-	859,077
Series B 0.1% mortgage note collateralized by <i>Tasker I</i> property; principal due in 2042 Series B	-	32,385,000
Series C 0.1% mortgage note collateralized by <i>Tasker II</i> property; due in 2043 Series C	-	20,990,000
6.09% mortgage note collateralized by <i>Uni-Penn I</i> property; principal and interest due in 2032	-	188,400
6.09% mortgage note collateralized by <i>Uni-Penn I</i> property; principal and interest due in 2041	-	2,271,039
5.23% mortgage note collateralized by <i>Uni-Penn II</i> property; principal and interest due in 2042	-	2,495,383
Non-interest-bearing note payable collateralized by <i>Uni-Penn II</i> property; due in 2042	-	718,000
4.52% mortgage note collateralized by <i>Uni-Penn Housing IV</i> property; principal and interest due in 2045	-	3,351,430
Non-interest-bearing mortgage note collateralized by <i>Wamock Phase I</i> property; due in 2053	-	4,842,724
4.58% mortgage note collateralized by <i>Wamock Phase I</i> property; principal and interest due in 2053	-	3,000,000
4.32% mortgage note collateralized by <i>Wamock Phase II</i> property; principal and interest due in 2053	-	7,254,139
Total debt for discrete component units	57,176,966	297,017,348
	<u>\$ 354,194,314</u>	

Note 9. Long-Term Debt (Continued)

The Tasker Capital Fund Revenue Bonds, Series A and the RDA Bonds related to the Tasker I project ("Bonds"), are limited obligations of PHA and were issued on a parity basis pursuant to Trust Indentures ("indentures") dated July 1, 2002 between PHA and Wachovia Bank, N.A. (now Wells Fargo Bank), as Trustee ("Trustee"), to provide funds for the indicated projects and other PHA projects. Repayment of the bonds is collateralized by a security interest in a portion of PHA's Capital Fund Allocations ("grants") from HUD. Such grants are subject to the availability of appropriations, and are to be paid directly by HUD to the Trustee.

Bonds maturing after 2014 are subject to optional redemption at prices stated in the indentures. In addition, \$15.6 million of bonds maturing in 2020 and 2021 are subject to mandatory redemption at face value plus accrued interest.

Under the indentures, certain component units are required to maintain a debt service fund equal to the annual debt service requirements.

The amortization schedule for the long-term debt of PHA and its component units is as follows:

Year Ending March 31,	Primary Government			Component Units		
	Principal	Interest	Debt Service Requirements	Principal	Interest	Debt Service Requirements
2016	\$ 4,815,000	\$ 2,597,000	\$ 7,412,000	\$ 358,440	\$ 5,594,721	\$ 5,953,161
2017	5,070,000	2,344,216	7,414,216	8,872	6,445,616	6,454,488
2018	5,345,000	2,078,038	7,423,038	9,572	5,863,980	5,873,552
2019	7,615,000	1,797,475	9,412,475	10,273	5,874,117	5,884,390
2020	8,020,000	1,393,652	9,413,652	11,027	5,884,570	5,895,597
2021-2025	19,710,000	1,633,998	21,343,998	200,809	29,591,413	29,792,222
2026-2030	-	-	-	37,374,453	29,906,187	67,280,640
2031-2035	-	-	-	1,665,000	30,273,187	31,938,187
2036-2040	-	-	-	26,584,562	30,701,077	57,285,639
2041-2045	-	-	-	128,822,756	27,386,581	156,209,337
2046-2050	-	-	-	8,103,752	23,515,985	29,619,737
2051-2055	-	-	-	36,382,528	21,646,451	58,028,979
2056-2060	-	-	-	30,907,380	17,470,156	48,377,536
2061-2065	-	-	-	65,286,558	6,605,212	71,891,770
2066-2070	-	-	-	20,468,332	1,420,209	21,888,541
	50,575,000	\$11,844,379	\$ 62,419,379	354,194,314	\$ 248,179,462	\$ 602,373,776
Less current portion	4,815,000			358,440		
	45,760,000			\$ 353,835,874		
Premium on Series A Bonds	394,390					
	\$ 46,154,390					

Note 10. Changes in Long-Term Liabilities

Changes in long-term liabilities for the year ended March 31, 2015 are as follows:

Primary Government	Beginning Balance	Increases	Decreases	Ending Balance	Due within 1 year
Other liabilities					
Estimated liability for self insurance and other claims	\$ 2,422,544	\$ 178,216	\$ (111,410)	\$ 2,489,350	\$ -
Workers' compensation payable	9,038,567	7,919,336	(9,148,811)	7,809,092	5,000,000
Health trust escrow	1,835,618	-	(126,884)	1,708,734	-
Total long-term liabilities	\$ 13,296,729	\$ 8,097,552	\$ (9,387,105)	\$ 12,007,176	\$ 5,000,000
Discrete Component Units	Beginning Balance	Increases	Decreases	Ending Balance	Due within 1 year
Other liabilities					
Development fees payable	\$ 10,007,994	\$ -	\$ (1,732,150)	\$ 8,275,844	\$ -
Interest due PHA	43,560,897	6,020,318	-	49,581,215	-
Other liabilities	15,000	620,806		635,806	473,413
Due to partners	4,078,109	-	(60,494)	4,017,615	-
Total long-term liabilities	\$ 57,662,000	\$ 6,641,124	\$ (1,792,644)	\$ 62,510,480	\$ 473,413

Note 11. Workers' Compensation Insurance

PHA maintains a high-deductible policy for workers' compensation claims, self-insuring for the first \$350,000 of each claim. Losses are accrued based on the insurance carrier's estimate of losses attributable to the claims filed in each policy year that are not covered by insurance. The estimated losses for each policy year are updated periodically by the insurance carrier. PHA is required to fund the estimated losses into an escrow account held by the insurance carrier, and claims are paid out of the escrow fund on a recurring basis. At March 31, 2015, the balance in the escrow fund was \$10.8 million and is included in restricted cash in the statement of net position.

The liability for estimated claims payable as of March 31, 2015 was \$7.8 million.

Note 12. Employees' Retirement Plans

Defined Benefit Pension Plan

Plan Description: PHA contributes to the Philadelphia Housing Authority Retirement Income Plan (which was initiated on November 1, 1952). The Plan is a single-employer plan which issues separate financial statements, a copy of which may be obtained by contacting PHA's office. Employees are required to contribute 5.5% of total salary to the Plan on a pre-tax basis. The following table provides information concerning covered employees and benefit provisions for the Plan.

Plan participants at November 1, 2014 were as follows:

Active participants	30
Inactive participants	473
Terminated, vested participants: in payment status	1,675
Total participants	<u>2,178</u>

Note 12. Employees' Retirement Plans (Continued)

Defined Benefit Pension Plan (Continued)

Plan Description (Continued):

Covered employees	As of March 31, 2015, the Plan covered non represented employees hired before October 1, 2005. <i>In April 2014, non represented employees' benefits were frozen.</i>
Current annual covered payroll	<u>\$2,357,230</u>
Normal retirement date	65th birthday
Normal retirement benefit	2.5% of average earnings, as defined in the Plan, multiplied by the years of service not to exceed 25 years, plus 1.25% of average earnings multiplied by years of service in excess of 25 years.
Death benefit	The Plan contains provisions for the payment of benefits to surviving spouses of employees.

Actuarially Determined Contribution Requirements and Contributions Made: Actuarially determined contributions are required to provide sufficient assets to pay benefits when due and are determined using the entry age normal method. Under this method, the actuarial present value of projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings of service of the individual between entry age and assumed exit age. The portion of actuarial present value allocated to each valuation is called the normal cost. The significant actuarial assumptions used to compute the actuarial determined contributions are as follows:

- a) a rate of return on the investments of 7.5% per year
- b) projected salary increase of 3.5% per year
- c) no post-retirement benefit increase

Funding Policy: PHA's funding policy is determined by the Plan design and collective bargaining agreements. All participants are required to pay into the pension fund an amount equal to 5.5% of compensation. At a minimum, the employer contributes 5.5% of the participant's annual compensation. Additional employer contributions are discretionary and based upon actuarial computations.

Funded Status and Funding Progress:

As of November 1, 2014, the plan was 75% funded. The actuarial accrued liability was \$276 million and the actuarial value of assets was \$208 million, resulting in an unfunded actuarial accrued liability of \$68 million. The covered payroll (annual payroll of active employees covered by the plan) was \$2.3 million and the ratio of the unfunded actuarial accrued liability to covered payroll was 2,885%.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the accrued actuarial liability for benefits.

The Plan's assets are placed in custodial Plan accounts, all reported at fair value. The Plans investments are stated at fair value, if available, quoted market prices are used to value investments. Any investments with the Plan custodian which have no quoted market price are valued by the Plan's custodian at estimated fair value. Several factors are considered in arriving at fair value.

The PHA Pension Board has the authority for establishing and amending the Plan provisions.

Note 12. Employees' Retirement Plans (Continued)

Defined Benefit Pension Plan (Continued)

Net Pension Liability. The components of the net pension liability of the Plan at November 1, 2014, were as follows:

Total Pension Liability	\$	270,751,042
Plan Fiduciary Net Position		212,748,466
Plan's Net Pension Liability	\$	58,002,576
Plan fiduciary net position as a percentage of the total pension liability		78.6%

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation for the October 31, 2014 measurement period, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	3.0%
Salary increases	3.5%
Investment rate of return	7.5%

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table for males and females with blue collar adjustments on pre-retirement only.

The actuarial assumptions used in the valuation for the October 31, 2014 measurement period were based on past experience under the plan and reasonable future expectations which represent the best estimate of the anticipated experience under the plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of October 31, 2014 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	40.0%	5.4%
International equity	28.0%	5.5%
Fixed income	30.0%	1.3%
Real estate	0.0%	4.5%
Cash	2.0%	0.0%

Note 12. Employees' Retirement Plans (Continued)

Defined Benefit Pension Plan (Continued)

Discount Rate. The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Plan contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the Plan, calculated using the discount rate of 7.5%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.5%) or 1-percentage point higher (8.5%) than the current rate:

	<u>1%</u> <u>Decrease</u> <u>(6.5%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(7.5%)</u>	<u>1%</u> <u>Increase</u> <u>(8.5%)</u>
Plan's Net Pension Liability	\$83,153,086	\$58,130,799	\$41,257,865

Defined Contribution Plan

On April 1, 2001, PHA (Plan Sponsor) established a defined contribution plan for the purpose of providing retirement benefits for its executive management. Effective in October 2005, all newly hired, non-represented employees were required to participate in the Plan. The Plan was originally established as a contributory participant directed "Money Purchase Plan". However, the Plan was subsequently amended to be a tax-qualified "Profit Sharing Plan". Non-represented permanent employees of PHA are eligible for participation in the Plan beginning on the first of the month following the date of hire.

The Plan is a qualified defined contribution plan that satisfies the applicable requirements of Section 410(a) of the IRS Code and the reporting requirements pursuant to Pennsylvania Act 203. However, the Plan is a government plan and, therefore, is not subject to the provisions of the Employee Retirement Income Security Act (ERISA) of 1974.

In April 2011, most union employees who had their benefits frozen in the PHA Retirement Income Pension Plan began participating in the Plan. Beginning in April 2012, the employees that were members of the Fraternal Order of Housing Police began participating in the Plan. The Plan contains additional employer contributions and employee saving features. Participants may "roll over" distributions received from the Philadelphia Housing Authority Retirement Income Pension Plan or from an eligible retirement plan as defined in the Plan Document.

Each year participants are required to contribute 5.5 percent of their annual compensation into an individual account. PHA contributes an additional 5.5 percent of each participant's annual compensation as prescribed by the Plan. Additional amounts may be contributed at the option of PHA's Board of Commissioners.

Under the plan PHA may pay reasonable expenses of administering the Plan and Trust. PHA absorbs a majority of the administrative expenses. Administrative expenses, such as Investment and Trustee Fees are paid out of plan assets.

PHA made contributions of about \$3.6 million to the Plan for the year ended March 31, 2015.

Note 13. Lease Commitments

PHA has entered into various non-cancellable operating leases, primarily for office space and equipment. Future minimum payments under these leases are as follows:

Year ending March 31	
2016	1,329,383
2017	1,392,956
2018 (Last year of lease)	1,397,275
	<u>\$ 4,119,615</u>

Total rent expense for the year ended March 31, 2015 was \$1.2 million.

Note 14. Accrued Compensated Absence

A liability is recorded for compensated absences attributable to services already rendered and not contingent on a specific event outside the control of PHA and its employees, as employees earn the right to the benefits.

The liability is typically liquidated with resources of the same funding source that has paid the applicable employees regular salaries and fringe benefits.

Summary of Accrued Compensation Absences				
	Beginning Balance	Net Increases	Net Decreases	Ending Balance
Current portion	\$ 4,486,076	\$ 2,612,909	\$ 2,159,782	\$ 4,939,203
Long-term portion	2,990,697	1,746,779	1,444,689	3,292,787
	<u>\$ 7,476,773</u>	<u>\$ 4,359,688</u>	<u>\$ 3,604,471</u>	<u>\$ 8,231,990</u>

Note 15. Other Post-Employment Benefits (OPEB)

PHA had administered Executive Health Protection Plan ("EHPP") which provided prescribed total amounts to be made available for the payment of medical insurance premiums on behalf of eligible employees following separation from service. The EHPP plan covered eligible executive employees and could be terminated by PHA at any time (see below).

Eligibility and Termination

Eligible Employees were automatically enrolled in the Plan upon the later of the Effective Date of this Plan or date they become an Eligible Employee. Upon the earlier of termination of employment with the Employer or a Participant's ceasing to be an Eligible Employee, the Participant would cease to accrue a benefit under the Plan.

Contributions

PHA made a contribution to the Trust for each Participant in the Plan of \$20,000 for each year of Credited Service as an Eligible Employee completed after the Effective Date of the Plan. The maximum total contribution that may be allocated to a Participant is \$100,000. Amounts allocated for a Participant shall not be credited with any earnings or losses on contributions made to the Plan.

Note 15. Other Post-Employment Benefits (OPEB) (Continued)

Vesting

A Participant would fully vest in the contributions he or she had earned under the Plan upon separation from Employment and the completion of three (3) years of Continuous Service as an Eligible Employee completed after the Effective Date of the Plan. No Participant should vest prior to separation from employment.

Plan Status

The Plan was discontinued in 2013 and no employees have since been added to the Plan. As of March 31, 2015, PHA had segregated cash of \$1.7 million for the payment of the remaining plan benefits to the 24 previous and current executive employees included in the plan.

Note 16. Risk Management

PHA is subject to risk of loss from fire, property damage, personal injury, etc. PHA covers these risks through the purchase of commercial insurance. PHA has initiated a loss control program utilizing insurer and broker resources to improve safety at PHA. Four such programs were held in FY 2015. Several safety training programs are underway or planned: Auto defensive driving training is scheduled for August, 2015; supervisory safety training is also being planned. PHA also has its own Safety Committee which met ten times in FY 2015. The Safety Committee includes line and staff personnel. It attempts to improve safety of PHA with regard to workers compensation, automobile, property and liability losses.

The PHA Board of Commissioners passed a Risk Management Framework in Resolution 11721 at the July 17, 2014 Board meeting. Pursuant to that Risk Management Framework, a Risk Management Committee at PHA meets quarterly to identify and evaluate risks facing PHA. There were two meetings of the Committee in FY 2015. The Risk Management Committee provides updates to the PHA Audit Committee of the Board of Commissioners in conjunction with the Office of Audit and Compliance (OAC). The Risk Management Committee also provides input to OAC in the formulation of its risk survey to PHA departments as part of its risk identification function.

Note 17. Component Units

Blended Component Units

Philadelphia Housing Authority Development Corporation (PHADC) - a Pennsylvania nonprofit corporation formed by PHA to support PHA in providing safe and affordable housing for persons of low income through the acquisition, purchase, renovation, restoration, repair, rehabilitation, construction and management of real property, and other economic development activities in Philadelphia.

Philadelphia Asset and Property Management Corporation (PAPMC) - a Pennsylvania nonprofit corporation formed by PHA to provide operational and financial services to several housing developments in Philadelphia.

Philadelphia Housing Authority Homeownership Corporation (PHAHC) - a Pennsylvania nonprofit corporation formed by PHA to hold certain escrow payments, counseling and home association fees for homebuyers of designated PHA low-income housing properties.

Philly Seeds (PHA-Tenant Support Services, Inc. or TSSI) - a Pennsylvania nonprofit corporation formed by PHA to promote the welfare of public housing residents and recipients of housing assistance

Note 17. Component Units (Continued)

Selected financial data for these blended component units for the years ended as indicated are presented below:

	PHADC 3/31/15	PAPMC 12/31/14	PHAHC 3/31/15	PHILLY SEEDS, INC 6/30/14	Total
Assets	\$ 69,918,645	\$ 1,376,842	\$ 81,688	\$ 170,941	\$ 71,548,116
Liabilities	110,912	439,367	81,688	-	631,967
Net position	\$ 69,807,733	\$ 937,475	\$ -	\$ 170,941	\$ 70,916,149
Revenue	\$ 9,195,237	\$ 1,475,172	\$ 9,507	\$ 158,264	\$ 10,838,180
Expenses	2,313,206	1,567,134	9,507	233,691	4,123,538
Change in net position	\$ 6,882,031	\$ (91,962)	\$ -	\$ (75,427)	\$ 6,714,642
Cash Flow information					
Operating activities	\$ (12,420,651)	\$ 129,420	\$ (5,445)	\$ (75,427)	\$ (12,372,103)
Financing activities	9,042,497	-	-	-	9,042,497
Investing activities	2,610,675	(24,463)	-	-	2,586,212
Change in cash position	\$ (767,479)	\$ 104,957	\$ (5,445)	\$ (75,427)	\$ (743,394)

On November 12, 2012, the Board of Directors approved to change the name of TSSI to PhillySeeds, Incorporated. The State approved the Articles of Amendment on April 5, 2013.

PHA also formed two other Blended Component Units namely, Elderly and Disabled Services, LLC and Philadelphia Urban Revitalization Enterprise, LLC. As of March 31, 2015, both component units have no significant activities.

In connection with each of the developments involving PHA benefitting from investment arising from the low income housing tax credit, PHA or its component unit, PHADC, or both provide various guaranties of payment and performance. No payment has ever been requested of or made by either PHA or PHADC pursuant to such guaranties, and PHA considers the likelihood of any such demand to be remote.

Discrete Component Units:	Number of Housing Units
<u>Limited Partnerships</u>	
Cambridge Plaza LP	44
Cambridge Plaza II, L.P.	40
Cambridge III, L.P.	40
Germantown House, L.P.	133
Lucien E. Blackwell Homes Phase II, L.P.	80
Lucien E. Blackwell Homes Phase III, L.P.	50
Ludlow Scattered Sites Phase III, L.P.	75
Mantua Phase I, L.P.	50
Mantua Phase II, L.P.	51

Note 17. Component Units (Continued)

Discrete Component Units:	Number of Housing Units
<u><i>Limited Partnerships (Continued)</i></u>	
Marshall Shepard Village, L.P.	80
Mill Creek Phase I, L.P.	80
Mt. Olivet L.P.	161
Nellie Reynolds Gardens, L.P.	64
Nomis Apartments, L.P.	51
Paschall Phase I, L.P.	50
Paschall Phase II, L.P.	50
Queen Lane Apartments, L.P.	55
Richard Allen Phase III, L.P.	178
Suffolk Manor Apartments, L.P.	137
Tasker I, L.P.	245
Tasker II, L.P.	184
Uni-Penn Housing Partnership IV	42
Wamock Phase I, L.P.	50
Wamock Phase II, L.P.	45
<u><i>Limited Liability Company</i></u>	
Gordon Street, LLC	21
Oakdale Street, LLC	12
<u><i>Alternate Managed Entities</i></u>	
1952 Allegheny Associates L.P.	26
Neuman North, L.P.	67
Newcourtland Apartments at Allegheny L.P.	60
Raymond Rosen Associates, L.P.	152
Ridge Avenue Housing, L.P.	135
Southwark Plaza Limited Partnership	470
Spring Garden Historic, LP	32
Spring Garden Housing Limited Partnership	86
St. Anthony's Senior Residences Associates, L.P.	38
St. Ignatius Senior Housing I, L.P.	67
St. Ignatius Senior Housing II, L.P.	54
Uni-Penn Housing Partnership I	49
Uni-Penn Housing Partnership II	45

Discrete Component Units

In most instances, the component units have entered into agreements with PHA to provide various services for housing projects. In addition, management and/or development fees are paid to PHADC for services rendered over the life of the project.

The individual entities have issued bonds or other debt to fund projects, including amounts owed to PRA and PHA as mortgagees.

Note 17. Component Units (Continued)

LIMITED PARTNERSHIPS (LPs)

LPs are component units where PHA serves as General Partner and owns 1/10 of 1% of the Partnership. PHA's equity interest in the component units was \$5,076,592 as reported on the Statement of Net Position. PHA provides operation and financial services to the LPs via Operating Subsidy (Operating) and Regulatory and Operating (R&O) Agreements and directly managed by PAPMC.

PHA reports the ownership of its equity interest in the component units as an asset.

- **Cambridge Plaza L.P.** - a Pennsylvania limited partnership which operates a 44-unit apartment complex known as Cambridge Plaza Apartments. Cambridge has a ninety-nine year ground lease with PHA at a nominal rent. The project was funded by \$4.5 million of investor capital and \$2.6 million in PHA mortgage debt. The project has qualified for federal low-income housing tax credits.
- **Cambridge Plaza II, L.P.** - a Pennsylvania limited partnership which operates 40 residential rental units known as Cambridge Plaza Apartments Phase II and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$6 million of investor capital and \$3.6 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Cambridge III, L.P.** - a Pennsylvania limited partnership which operates a 40-unit rental housing project and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$6.3 million of investor capital and \$3 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Germantown House, L.P.** - a Pennsylvania limited partnership which operates a 133-unit apartment project and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$11.9 million of investor capital and \$8.2 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Lucien E. Blackwell Homes Phase II, L.P.** - a Pennsylvania limited partnership which operates an 80-unit rental housing project and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$14.1 million of investor capital and \$4.2 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Lucien E. Blackwell Homes Phase III, L.P.** - a Pennsylvania limited partnership which operates 50 residential rental units and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$11.4 million of investor capital and \$2.9 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Ludlow Scattered Sites Phase III, L.P.** - a Pennsylvania limited partnership which operates 75 residential rental units and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$12.8 million of investor capital and \$11.5 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Mantua Phase I, L.P.** - a Pennsylvania limited partnership which operates 50 residential rental units. It has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$9.5 million of investor capital and \$8.4 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Mantua Phase II, L.P.** - a Pennsylvania limited partnership which operates 51 residential rental units. It has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$4.7 million of investor capital and \$12.0 million in PHA and other mortgage debt. The project has qualified for federal low-income housing credits.
- **Marshall Shepard Village, L.P.** - a Pennsylvania limited partnership which operates 80 residential rental units and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$8.9 million of investor capital and \$14.4 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.

Note 17. Component Units (Continued)

Discrete Component Units (Continued)

- **Mill Creek Phase I, L.P.** - a Pennsylvania limited partnership which operates 80 residential rental units included in a development known as Lucien Blackwell Homes and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$12.6 million of investor capital and \$6.1 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Mt. Olivet, L.P.** - a Pennsylvania limited partnership which operates 161 residential rental units known as Mt. Olivet Apartments and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$7 million of investor capital and \$9.7 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Nellie Reynolds Gardens, L.P.** - a Pennsylvania limited partnership which operates 64 residential rental units and has a ninety-nine year ground lease with PHA at a nominal rent. The project was originally financed by \$11.2 million of investor capital and \$7.5 million in PHA mortgage debt. As required by the amended Partnership Agreement, in January 2009 PHA refinanced \$5.1 million of the mortgage principal and \$4 million of accrued interest by means of capital contributions. The partnership maintains \$2.8 million in PHA debt. The project has qualified for federal low-income housing credits.
- **Norris Apartments, L.P.** - a Pennsylvania limited partnership which operates a 51 residential housing units. The project is being financed by \$9.1 million of investor capital and \$12.4 million in PHA debt. The project has qualified for federal low-income housing credits.
- **Paschall Phase I, L.P.** - a Pennsylvania limited partnership which operates 50 residential rental units. It has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$8.8 million of investor capital (\$8.6 million paid as of December 31, 2014), and \$10.8 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Paschall Phase II, L.P.** - a Pennsylvania limited partnership which operates 50 residential rental units. It has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$4.8 million of investor capital (\$4.7 million paid as of December 31, 2014) and \$15.3 million in PHA debt. The project has qualified for federal low-income housing credits.
- **Queen Lane Apartments L.P.** - a Pennsylvania limited partnership formed to develop 55 residential rental units. It has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$7.7 million of investor capital and \$12.5 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Richard Allen Phase III, L.P.** - a Pennsylvania limited partnership which operates a 178-unit apartment complex and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$11.1 million of investor capital and a \$22.2 million mortgage loan from PHA. The project has qualified for federal low-income housing tax credits.
- **Suffolk Manor Apartments, L.P.** - a Pennsylvania limited partnership which operates 137 residential rental units and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$13.5 million of investor capital and \$10.5 million in PHA mortgage loans. The project has qualified for federal low-income housing tax credits.
- **Tasker I, L.P.** - a Pennsylvania limited partnership which operates 245 residential rental units known as Tasker Homes Phase I and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$15.5 million of investor capital and \$33 million in PHA mortgage debt. The project has qualified for federal low-income housing tax credits.
- **Tasker II, L.P.** - a Pennsylvania limited partnership which operates 184 residential rental units known as Tasker Homes Phase II and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$12.5 million of investor capital and \$21 million in PHA mortgage debt. The project has qualified for federal low-income housing tax credits.

Note 17. Component Units (Continued)

Discrete Component Units (Continued)

- **Uni-Penn Housing Partnership IV** - a Pennsylvania limited partnership which operates 42 residential rental units known as Martin Luther King Plaza and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$5.4 million of investor capital and \$3.4 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Warnock Phase I, L.P.** - a Pennsylvania limited partnership which operates 50 residential rental units. It has a ninety-nine year ground lease with PHA at a nominal rent. The project began operations in October 2010 and is financed by \$10.6 million of investor capital and \$7.8 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Warnock Phase II, L.P.** - a Pennsylvania limited partnership which operates 45 senior residential rental units within a three-story building. It has a ninety-nine year ground lease with PHA at a nominal rent. The project began operations in March 2010 and is financed by \$8.0 million of investor capital and \$7.3 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.

LIMITED LIABILITY CORPORATIONS (LLCs)

PHA is the sole member of the LLC's, the units have project based vouchers and are directly managed by PAPMC.

- **Oakdale Street LLC** - a Pennsylvania Limited Liability Corporation which will operate 12 residential rental units. It has a 30 year ground lease with PHA at a nominal rent. The project was financed with \$4.6 million in PHA mortgage funds.
- **Gordon Street LLC** - a Pennsylvania Limited Liability Corporation which will operate 21 residential rental units. It has a 30 year ground lease with PHA at a nominal rent. The project was financed with \$8.7 million in PHA mortgage funds.

ALTERNATIVE MANAGED ENTITIES (AMEs)

AMEs are component units that are not managed by PAPMC. PHA provides operation services and financial subsidies through Operating and R&O Agreements.

- **1952 Allegheny Associates L.P. also known as Impact Veterans Family Housing Center** - a Pennsylvania limited partnership formed to develop 26 residential units, of which 18 are public housing units. The project was financed by \$7.3 million of investor capital and \$6.5 million in PHA and other mortgage debt. The project has qualified for federal low-income housing credits.
- **Neumann North, L.P.** - a Pennsylvania limited partnership which operates 67 senior housing residential units plus commercial space. The project was financed by \$6.0 million of investor capital and \$4.3 million in PHA and other mortgage debt. The project has qualified for federal low-income housing credits.
- **NewCourtland Apartments at Allegheny L.P.** - a Pennsylvania limited partnership formed to develop 60 senior rental units, of which 56 are public housing units. The project was financed by \$12.3 million of investor capital and \$3.3 million in other mortgage debt. The project has qualified for federal low-income housing credits.
- **Raymond Rosen Associates, L.P. ("8 Diamonds")** - a Pennsylvania limited partnership formed to acquire, construct and operate a 152-unit apartment complex. 8 Diamonds has a ninety-nine year ground lease with PHA at a nominal rent. The project has qualified for federal low-income housing tax credits. The project was financed by \$9.9 million of investor capital, a \$16 million first mortgage from PHA and other financing.

Note 17. Component Units (Continued)

Discrete Component Units (Continued)

ALTERNATIVE MANAGED ENTITIES (AMEs) (Continued)

- **Ridge Avenue Housing, L.P.** - a Pennsylvania limited partnership which operates a 135-unit rental housing project and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$6.0 million of investor capital and \$18.4 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Southwark Plaza Limited Partnership** - a Pennsylvania limited partnership which operates a 470-unit low income rental housing project known as Courtyard Apartments at Riverview. The project was financed by \$19.0 million of investor capital, first and second mortgage loans of \$35.7 million from PHA and a \$3 million third mortgage from PRA. The project has qualified for federal low-income housing tax credits.
- **Spring Garden Historic, L.P.** - a Pennsylvania limited partnership formed to operate a 32-unit apartment complex. The partnership was financed by \$7.2 million of investor capital, \$1.9 million of PHA mortgage debt and \$6.9 million of other debt. The project has qualified for federal low-income housing tax credits.
- **Spring Garden Housing Limited Partnership** - a Pennsylvania limited partnership which operates 86 residential rental units and has a ninety-nine year ground lease with PHA at a nominal rent. The project is being financed by \$7.1 million of investor capital, \$2.9 million of PHA first mortgage debt and \$4.1 million of other debt. The project has qualified for federal low-income housing tax credits.
- **St. Anthony's Senior Residences Associates, L.P.** - a Pennsylvania limited partnership which operates a 38-unit rental housing project. The project was financed by \$1.7 million of mortgages from the PRA, and \$5.0 million of investor capital. The project has qualified for federal low-income housing tax credits.
- **St. Ignatius Senior Housing I, L.P.** - a Pennsylvania limited partnership which operates a 67-unit rental housing project. The project was financed by \$7.4 million of investor capital and \$2.5 million in PHA and other mortgage debt. The project has qualified for federal low-income housing credits.
- **St. Ignatius Senior Housing II, L.P.** - a Pennsylvania limited partnership which operates 54 senior housing residential units. The project is being financed by \$6.4 million of investor capital and \$1.2 million in PHA and other mortgage debt. The project has qualified for federal low-income housing credits.
- **Uni-Penn Housing Partnership I** - a Pennsylvania limited partnership which operates 49 residential rental units and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$5.3 million of investor capital and \$2.4 million in PHA and other mortgage debt. The project has qualified for federal low-income housing credits.
- **Uni-Penn Housing Partnership II** - a Pennsylvania limited partnership which operates 45 residential rental units. The project was financed by \$5.7 million of investor capital and \$3.2 million in mortgage debt. The project has qualified for federal low-income housing credits.

Note 18. Prior Period Adjustments

Net position as of April 1, 2014 has been adjusted due to the revenues and expenses erroneously recorded by PHA in the preceding year. Details are as follows:

Revenues and expenses erroneously booked in the prior years

PHADC	\$46,597
PAPMC	108,069
Philly Seeds	(70,406)
	<u>\$84,260</u>

Note 19. Contingencies

PHA is subject to and is currently undergoing examination by federal oversight agencies, including HUD, that determine compliance with terms, conditions, laws and regulations governing grants given to PHA in the current and prior years. These examinations may result in the recapture of funds by federal grantors and other oversight agencies.

The scope of these examinations include various PHA administered programs as well as certain bond and tax-credit financed developments, including a close-out audit of the Liddonfield Redevelopment RACP, an IRS audit of the Tasker Bond issue (which was closed without any adverse findings) and an IRS Audit of PHA Payroll and Accounts Payable. In addition, HUD has retained KPMG to perform a full scale operational and forensic audit of PHA's management, programs, benefits and finances. KPMG's audit report has been issued and PHA has responded to all of the recommendations in such report; however, PHA has received no notice that the KPMG audit has been formally closed.

As a result of investigations and audits by the U.S. Department of Housing and Urban Development ("HUD") Office of Inspector General into payments made to various outside counsel retained by PHA during the years 2005 - 2010, HUD questioned the propriety of using federal funds to make those payments. In May 2013, this matter was settled by PHA's reimbursement of \$8,152,571 into certain of PHA's federally funded accounts from funds held by PHA and approved by HUD to be used to make this reimbursement. This payment closed the final two open audit items regarding such payments to outside counsel investigated by the HUD OIG.

PHA has been notified that certain federal law enforcement investigations are being conducted into the past operation of PHA programs and the conduct of its former administration and certain officials. These investigations center on alleged fraud, corruption, malfeasance and other wrongdoing. No indictments or final adjudication have been issued in connection with these investigations.

The preceding investigations, examinations and allegations could ultimately result in an adverse financial impact to PHA; however, no determinations of liability have been made. No adjustments have been made to the financial statements for any potential outcomes.

Significant litigation settled and/or pending against PHA during the fiscal year is as follows:

Settlements

Russell Myatt v. PHA, City of Philadelphia, Philadelphia County Court of Common Pleas: This is a premises liability action where Plaintiff, wheelchair bound, alleges defective installation of shower stall that caused accumulation of water resulting in his falling from wheelchair. The case was covered by insurance with a \$150,000 deductible. The case was settled with HUD concurrence for the amount of \$170,000, with PHA's contribution toward that amount of \$126,469.

Note 19. Contingencies (Continued)

Settlements (Continued)

Lisa Martin v. PHA: This is a premises liability action where Plaintiff alleges damages for a ceiling collapse in one of PHA's public housing units. The case was settled in or about June 2014 with HUD approval for \$99,200. The settlement amount was paid on July 11, 2014.

Tira Williams v. PHA: This is a premises liability, toxic tort case in which the plaintiff alleged severe damage to her lungs and permanent injury as a result of exposure to mold in a PHA public housing unit that allegedly formed after a leak. The case is being covered by insurance, subject to a \$150,000 deductible. In January, 2015, this case settled for \$247,500. As no federal funds were used to pay the settlement, HUD approval was not required.

Eric McAfee v. PHA: This is employment litigation in which the plaintiff alleges a failure to accommodate, disparate treatment, and wrongful termination in violation of the federal Americans with Disabilities Act and the Philadelphia Human Relations Act. The case is being covered by insurance, subject to a \$150,000 deductible. After the close of this fiscal year, the case settled with HUD approval for \$99,999.

Anthony Guidotti v. PHA, Richard Zappile, Geralyn Hemphill, Benjamin Walton, James Mitchell: This is employment litigation in which the plaintiff, a former member of the PHA police force, alleges, *inter alia*, a violation of the Pennsylvania Whistleblower Law in connection with the termination of his employment. The plaintiff is making a claim under the state whistleblower laws and is seeking a large monetary award. The case is being covered by insurance, subject to a \$150,000 deductible and a reservation of rights. After the close of the fiscal year, the parties were negotiating a settlement that would require approval of the Board of Commissioners and HUD. Case has now settled for \$460,000, including PHA's contribution of \$36,593.

Pending or Threatened litigation

In re: Wissahickon Playground; Paulmier, et al., v. City of Philadelphia, Philadelphia Authority for Industrial Development, and PHA: This is real estate litigation concerning PHA's planned and ongoing redevelopment at Queen Lane. Petitioners argue that the City of Philadelphia failed to obtain Orphans' Court approval prior to transferring title of the so-called Wissahickon Playground to PHA, in violation of a claimed use restriction on that parcel. The litigation threatens to enjoin construction at the Queen Lane tax credit redevelopment. A hearing on Petitioners' request for a preliminary injunction has been continued until August 27, 2015, to allow the parties time to address the details of a settlement agreement. The matter is being covered by a title insurance policy subject to a reservation of rights.

Renee Johnson and Renee Johnson as Guardian of Rameena Johnson v. PAPMC, PHA: This is a premises liability, toxic tort case in which the plaintiffs claim significant injury due to exposure to Legionella bacteria in their tax credit unit. One of the plaintiffs was diagnosed with pneumonia caused by Legionella bacteria, or Legionnaires' disease, and that she suffered permanent damage to her lungs as a result. There is no insurance coverage for these claims.

Est. of Hezekiah King Robinson and Lonnia Robinson v. PHA, et al.: This is a premises liability action in which the plaintiff, as administratrix for the estate of her son and on her own behalf, alleges that her son died after he was caused to fall out of a window at West Park Apartments due to the defendants' failure to put security bars on the windows. The case is currently in discovery. The case is covered by insurance subject to a \$150,000 deductible.

Shamir Facen, et al v. PHA: This is a premises liability case in which minor plaintiff alleges that in 2009 they suffered severe injuries after falling from a second-story window of their scattered site unit. The plaintiffs allege that the window was negligently installed and maintained and have also sued the window manufacturer, which in turn joined the window designer as a defendant. The case is covered by insurance, subject to a \$150,000 deductible. We have negotiated a settlement of \$75,000, contingent upon HUD approval. We have not yet received an executed release for submission to HUD.

Note 19. Contingencies (Continued)

Pending or Threatened Litigation (Continued)

Wright, Goins, Banks v. PHA: Related federal court actions have been filed against PHA by Kyeesha Wright, Jacqueline Goins, and Shenita Banks. The plaintiffs, all residents of the Hillcreek Housing Development, also allege exposure to asbestos fibers. This case is not covered by insurance, so PHA is responsible for attorney's fees and any settlement or judgment, to the extent there is one.

PHA is defending against six (6) employment discrimination and wrongful termination claims where the damages in the aggregate could exceed more than \$300,000. Although PHA is vigorously defending these actions, it is too early to determine with any certainty PHA's liability in each case.

Theresa Howard v. PHA: This federal action was filed in January 2013 against both PHA and the Carpenter's Union. In the complaint, former PHA provisional employee Theresa Howard ("Howard") sets forth claims of discrimination, retaliation, defamation and breach of contract. Howard is seeking in excess of \$500,000 in damages. Discovery has been extended.

Keith Caldwell v. PHA: This is employment litigation where Plaintiff, a former executive general manager of housing operations, alleges claims for retaliation on the basis of race and sex, age discrimination, breach of contract, wage and hour claims, and claim under the Pennsylvania Whistleblower Law. The case is in discovery. This case is being covered by insurance pursuant to a reservation of rights with a \$150,000 deductible and indemnification.

Nesheena Pickron v. PHA, PAPMC: This is employment litigation in which Plaintiff asserts claims for gender discrimination, sexual harassment, and retaliation, intentional infliction of emotional distress, and tortious interference with contractual relations. She also claims she was paid less than her male counterparts in violation of the Pennsylvania Equal Pay Law. The case is currently in discovery. PHA's defense is covered by insurance and pursuant to a reservation of rights with a \$150,000 deductible and with no indemnification.

Jennifer Garner v. PHA, et al.: This is employment litigation in which Plaintiff, a former PHA computer technician, asserts claims for discrimination based on her gender and for having taken leave pursuant to the Family Medical Leave Act, for retaliation, and for violations of the Pennsylvania Equal Pay Law. The case is currently in discovery. The case is covered by insurance pursuant to a reservation of rights with a \$150,000 deductible and no indemnification.

Pam Gibson v. PHA: This is employment litigation in which Plaintiff, a former HR benefits employee, alleges age and race discrimination through PHA creating a hostile work environment, as well as her suspension and termination. The case is covered by insurance pursuant to a reservation of rights, with a \$150,000 deductible and no indemnification.

Tamala Bradford v. PHA: This is employment litigation in which Plaintiff, a former employee in PHA's Police Department who alleges a violation of the Pennsylvania Whistleblower Law, for having been retaliated against for reporting wrongdoing. She also claims she was forced to resign due to retaliation. The case is covered by insurance pursuant to a reservation of rights, with a \$150,000 deductible and indemnification.

Kajet Washington v. PHA: The plaintiff filed an administrative complaint with the Philadelphia Commission on Human Rights alleging sex, race, and disability discrimination when she was demoted after returning from FMLA leave. The plaintiff then filed suit in the court of common pleas alleging retaliation. The case is not covered by insurance so PHA is responsible for attorney's fees as well as any settlement or judgment, should there be any.

Note 19. Contingencies (Continued)

Tort Claims

Except as otherwise discussed above, as of March 31, 2015, PHA, through its insurance carrier, HARRG, is defending against multiple personal injury actions. Two cases are claims where the exposure to PHA is expected to exceed \$100,000 and they are discussed above.

PHA's anticipated loss in each other case instance is limited to \$150,000 per claim inclusive of defense costs and liability payments for claims incurred due to alleged wrongful acts prior to March 31, 2014. PHA's anticipated loss for claims incurred due to alleged wrongful acts after March 31, 2014 is limited to \$50,000 per claim. Although PHA is vigorously defending each of these actions, the parties' respective liability at this time remains uncertain. Of the remaining pending claims, it is too early to determine with any certainty PHA's liability, although any damages will likely be well below \$100,000 in each individual case but cumulatively represent potential liability of \$900,000.

Required Supplementary Information

PHILADELPHIA HOUSING AUTHORITY
Notes to Financial Statements
March 31, 2015

PHILADELPHIA HOUSING AUTHORITY
SCHEDULE OF PENSION FUNDING PROGRESS

The six year historical trend information required to be disclosed is as follows

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) – Entry Age (b)	Assets in Excess of (Less than) AAL (a)-(b)	Funded Ratio (a)/(b)	Covered Payroll (c)	Assets in Excess of (Less than) AAL as a % of Covered Payroll [(a)-(b)/(c)]
11/1/09	\$200,900,456	\$272,847,624	(\$71,947,168)	74%	\$37,488,770	(192%)
11/1/10	\$205,295,672	\$275,396,108	(\$70,100,436)	75%	\$36,032,847	(195%)
11/1/11	\$203,315,070	\$273,155,005	(\$69,839,935)	74%	\$13,611,869	(513%)
11/1/12	\$201,154,443	\$275,285,243	(\$74,130,800)	73%	\$10,040,634	(738%)
11/1/13	\$205,065,040	\$271,349,834	(\$66,284,794)	76%	\$2,135,544	(3104%)
11/1/14	\$207,945,238	\$275,960,288	(\$68,015,050)	75%	\$2,357,230	(2885%)

The comparability of trend information is affected by changes in actuarial assumptions, benefit provisions, actuarial funding methods, accounting policies, and other changes. Those changes usually affect trends in contribution requirements and in ratios that use the pension benefit obligation as a factor.

At October 31, 2014, the Plan's assets were comprised of investments in the following percentages: 62% equity, 35% fixed income and 3% cash.

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	Project Total	14.881 Moving to Work Demonstration Program	14.870 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
111 Cash - Unrestricted	\$13,953,574	\$1,608,369		\$14,161	
112 Cash - Restricted - Modernization and Development	\$0	\$0			
113 Cash - Other Restricted	\$458,842	\$10,334,749			
114 Cash - Tenant Security Deposits	\$799,191	\$0			
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0			
100 Total Cash	\$15,211,407	\$11,943,118	\$0	\$14,161	\$0
121 Accounts Receivable - PHA Projects		\$0			
122 Accounts Receivable - HUD Other Projects	\$502,922	\$41,610,335	\$56,561	\$31,249	\$84,788
124 Accounts Receivable - Other Government		\$11,267			\$83,102
125 Accounts Receivable - Miscellaneous	\$1,411,217	\$3,810,286			
126 Accounts Receivable - Tenants	\$704,022	\$0			
126.1 Allowance for Doubtful Accounts - Tenants	-\$562,074		\$0	\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0			
128 Fraud Recovery	\$0	\$0			
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0			
129 Accrued Interest Receivable	\$0	\$24,986			
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$2,056,087	\$45,456,874	\$56,561	\$31,249	\$167,890
131 Investments - Unrestricted	\$1,806,934	\$52,518,901			
132 Investments - Restricted	\$0	\$0			
135 Investments - Restricted for Payment of Current Liability	\$0	\$0			
142 Prepaid Expenses and Other Assets	\$134,347	\$0			
143 Inventories	\$1,510,029	\$0			

Philadelphia Housing Authority (PA002)
PHILADELPHIA, PA
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	Project Total	14.861 Moving to Work Demonstration Program	14.870 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
143.1 Allowance for Obsolete Inventories	-\$151,003	\$0			
144 Inter Program Due From	\$524,632	\$0			
145 Assets Held for Sale	\$0	\$0			
150 Total Current Assets	\$21,092,433	\$109,916,993	\$56,561	\$45,410	\$167,890
161 Land	\$23,395,636	\$149,460			
162 Buildings	\$1,162,813,024	\$276,311,946			
163 Furniture, Equipment & Machinery - Dwellings	\$177,863	\$985,487			
164 Furniture, Equipment & Machinery - Administration	\$318,267	\$23,378,134	\$110,058		\$792
165 Leasehold Improvements	\$0	\$0			
166 Accumulated Depreciation	-\$848,384,284	-\$133,085,594	-\$110,058		-\$92
167 Construction in Progress	\$21,398,110	\$16,518,964			
168 Infrastructure	\$0	\$0			
160 Total Capital Assets, Net of Accumulated Depreciation	\$361,738,616	\$164,258,397	\$0	\$0	\$700
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	\$0	\$0			
173 Grants Receivable - Non Current		\$0			
174 Other Assets	\$0	\$10,000,000			
176 Investments in Joint Ventures	\$520	\$810			
180 Total Non-Current Assets	\$361,739,136	\$194,259,207	\$0	\$0	\$700
200 Deferred Outflow of Resources		\$0	\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$382,831,569	\$304,176,100	\$56,561	\$45,410	\$168,590

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	Project Total	14.881 Moving to Work Demonstration Program	14.870 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
311 Bank Overdraft	\$0	\$0			
312 Accounts Payable <= 90 Days	\$4,669,488	\$555,310		\$6,915	\$12,940
313 Accounts Payable >90 Days Past Due	\$0	\$0			
321 Accrued Wage/Payroll Taxes Payable	\$548,746	\$0			
322 Accrued Compensated Absences - Current Portion	\$3,773,041	\$1,055,656			
324 Accrued Contingency Liability	\$0	\$0			
325 Accrued Interest Payable	\$0	\$0			
331 Accounts Payable - HUD PHA Programs	\$0	\$0			
332 Account Payable - PHA Projects	\$0	\$0			
333 Accounts Payable - Other Government	\$218,005	\$5,831			
341 Tenant Security Deposits	\$799,191	\$0			
342 Unearned Revenue	\$0	\$1,061,329			
343 Current Portion of Long-term Debt - Capital	\$0	\$0			
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0			
345 Other Current Liabilities	\$0	\$3,947,030			
346 Accrued Liabilities - Other	\$6,174,803	\$25,912,549			
347 Inter Program - Due To	\$524,632	\$1,409,040	\$56,561	\$38,495	\$154,950
348 Loan Liability - Current	\$0	\$0			
310 Total Current Liabilities	\$16,707,906	\$33,976,745	\$56,561	\$45,410	\$167,890
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$0	\$0			
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0			
353 Non-current Liabilities - Other	\$180,969	\$5,040,138			
354 Accrued Compensated Absences - Non Current	\$2,515,344	\$703,771			
355 Loan Liability - Non Current	\$0	\$0			
356 FASB 5 Liabilities		\$0			

Philadelphia Housing Authority (PA002)
 PHILADELPHIA, PA
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	Project Total	14 881 Moving to Work Demonstration Program	14 870 Resident Opportunity and Supportive Services	14 170 Congregate Housing Service Program	14 889 Choice Neighborhoods Implementation Grants
357 Accrued Pension and OPEB Liabilities	\$1,708,734	\$0	\$0	\$0	\$0
350 Total Non-Current Liabilities	\$4,365,047	\$5,743,609	\$0	\$0	\$0
300 Total Liabilities	\$21,092,953	\$39,720,654	\$56,561	\$45,410	\$167,890
400 Deferred Inflow of Resources					
508.3 Nonspendable Fund Balance					
508.4 Net Investment in Capital Assets	\$361,738,616	\$184,258,397	\$0	\$0	\$700
509.3 Restricted Fund Balance					
510.3 Committed Fund Balance					
511.3 Assigned Fund Balance					
511.4 Restricted Net Position	\$0	\$0			
512.3 Unassigned Fund Balance					
512.4 Unrestricted Net Position	\$0	\$80,197,049	\$0	\$0	\$0
513 Total Equity - Net Assets / Position	\$361,738,616	\$264,455,446	\$0	\$0	\$700
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$382,831,509	\$304,176,100	\$56,561	\$45,410	\$168,590

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	10.559 Summer Food Service Program for Children	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	97.109 Disaster Housing Assistance Grant	6.2 Component Unit - Blended	1 Business Activities
111 Cash - Unrestricted				\$43,541,963	\$3,004,578
112 Cash - Restricted - Modernization and Development				\$0	
113 Cash - Other Restricted				\$116,934	
114 Cash - Tenant Security Deposits				\$0	
115 Cash - Restricted for Payment of Current Liabilities				\$0	\$24,289
100 Total Cash	\$0	\$0	\$0	\$43,658,897	\$3,028,867
121 Accounts Receivable - PHA Projects				\$0	
122 Accounts Receivable - HUD Other Projects				\$0	\$0
124 Accounts Receivable - Other Government				\$0	
125 Accounts Receivable - Miscellaneous				\$31,693,011	\$384,453
126 Accounts Receivable - Tenants				\$0	\$11,926
126.1 Allowance for Doubtful Accounts - Tenants	\$0		\$0	\$0	-\$11,926
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0	-\$3,256,805	\$0
127 Notes, Loans, & Mortgages Receivable - Current				\$0	
128 Fraud Recovery				\$0	
128.1 Allowance for Doubtful Accounts - Fraud				\$0	
129 Accrued Interest Receivable				\$8,307	\$13
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$0	\$28,444,513	\$384,466
131 Investments - Unrestricted				\$0	\$0
132 Investments - Restricted				\$3,007,276	
135 Investments - Restricted for Payment of Current Liability				\$0	
142 Prepaid Expenses and Other Assets				\$62,969	
143 Inventories				\$0	
143.1 Allowance for Obsolete Inventories				\$0	

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	10.559 Summer Food Service Program for Children	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	97.109 Disaster Housing Assistance Grant	6.2 Component Unit - Blended	1 Business Activities
144 Inter Program Due From		\$2,215,112	\$95,807	\$0	
145 Assets Held for Sale				\$0	
150 Total Current Assets	\$0	\$2,215,112	\$95,807	\$75,173,655	\$3,413,333
161 Land				\$0	\$40,286
162 Buildings				\$0	\$53,357,226
163 Furniture, Equipment & Machinery - Dwellings				\$80,495	\$0
164 Furniture, Equipment & Machinery - Administration				\$0	\$33,559
165 Leasehold Improvements				\$0	
166 Accumulated Depreciation				-\$23,499	-\$23,055,991
167 Construction in Progress				\$0	\$1,795,092
168 Infrastructure				\$0	
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$56,996	\$32,170,172
171 Notes, Loans and Mortgages Receivable - Non-Current				\$0	\$376,645,932
172 Notes, Loans, & Mortgages Receivable - Non Current - Past				\$0	
173 Grants Receivable - Non Current				\$0	
174 Other Assets				\$0	\$88,011
176 Investments in Joint Ventures				\$0	\$5,075,262
180 Total Non-Current Assets	\$0	\$0	\$0	\$56,996	\$413,979,377
200 Deferred Outflow of Resources	\$0	\$0	\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$0	\$2,215,112	\$95,807	\$75,230,651	\$417,392,710
311 Bank Overdraft				\$0	

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	10,559 Summer Food Service Program for Children	14,249 Section 8 Moderate Rehabilitation Single Room Occupancy	97,109 Disaster Housing Assistance Grant	6.2 Component Unit - Blended	1 Business Activities
312 Accounts Payable <= 90 Days				\$18,513	\$951,851
313 Accounts Payable >90 Days Past Due				\$0	
321 Accrued Wage/Payroll Taxes Payable				\$0	
322 Accrued Compensated Absences - Current Portion				\$67,988	
324 Accrued Contingency Liability				\$0	
325 Accrued Interest Payable				\$0	\$945,730
331 Accounts Payable - HUD PHA Programs				\$0	
332 Account Payable - PHA Projects				\$0	
333 Accounts Payable - Other Government				\$0	
341 Tenant Security Deposits				\$0	
342 Unearned Revenue		\$816,022		\$0	
343 Current Portion of Long-term Debt - Capital				\$0	\$4,615,000
344 Current Portion of Long-term Debt - Operating Borrowings				\$0	
345 Other Current Liabilities				\$3,882,104	\$489,285
346 Accrued Liabilities - Other				\$156,520	\$194,199
347 Inter Program - Due To				\$0	\$690,070
348 Loan Liability - Current				\$0	
310 Total Current Liabilities	\$0	\$816,022	\$0	\$4,125,125	\$8,086,135
351 Long-term Debt, Net of Current - Capital Projects/Mortgage				\$0	\$46,154,390
352 Long-term Debt, Net of Current - Operating Borrowings				\$0	
353 Non-current Liabilities - Other				\$0	
354 Accrued Compensated Absences - Non Current				\$45,325	
355 Loan Liability - Non Current				\$0	
356 FASB 5 Liabilities				\$0	
357 Accrued Pension and OPEB Liabilities	\$0	\$0	\$0	\$0	\$0

Philadelphia Housing Authority (PA002)
 PHILADELPHIA, PA
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	10,559 Summer Food Service Program for Children	14,249 Section 8 Moderate Rehabilitation Single Room Occupancy	97,109 Disaster Housing Assistance Grant	6.2 Component Unit - Blended	1 Business Activities
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$45,325	\$48,154,390
300 Total Liabilities	\$0	\$816,022	\$0	\$4,170,450	\$54,240,525
400 Deferred Inflow of Resources					
508.3 Nonspendable Fund Balance					
508.4 Net Investment in Capital Assets	\$0	\$0	\$0	\$56,996	-\$18,799,218
509.3 Restricted Fund Balance					
510.3 Committed Fund Balance					
511.3 Assigned Fund Balance					
511.4 Restricted Net Position				\$3,124,210	
512.3 Unassigned Fund Balance					
512.4 Unrestricted Net Position	\$0	\$1,399,090	\$95,807	\$67,878,995	\$381,951,403
513 Total Equity - Net Assets / Position	\$0	\$1,399,090	\$95,807	\$71,060,201	\$383,152,185
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$0	\$2,215,112	\$95,807	\$75,230,651	\$417,392,710

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	6.1 Component Unit - Discretely Presented	93.044 Special Programs for the Aging, Title III, Part B, Grants for Supportive	5 Fiduciary	14.182 M/C S/R Section 8 Programs	14.871 Housing Choice Vouchers
111 Cash - Unrestricted	\$6,891,398				\$50,675
112 Cash - Restricted - Modernization and Development	\$0				
113 Cash - Other Restricted	\$24,288,259		\$2,651,040		\$9,633,400
114 Cash - Tenant Security Deposits	\$539,448				
115 Cash - Restricted for Payment of Current Liabilities	\$0				\$0
100 Total Cash	\$31,719,105	\$0	\$2,651,040	\$0	\$9,684,075
121 Accounts Receivable - PHA Projects	\$0				\$1,384,424
122 Accounts Receivable - HUD Other Projects	\$0				\$1,099,081
124 Accounts Receivable - Other Government	\$0				
125 Accounts Receivable - Miscellaneous	\$2,020,074		\$422,309		\$1,250
126 Accounts Receivable - Tenants	\$1,157,261				
126.1 Allowance for Doubtful Accounts - Tenants	-\$717,565	\$0	\$0	\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	-\$1,269,540
127 Notes, Loans, & Mortgages Receivable - Current	\$0				
128 Fraud Recovery	\$0				
128.1 Allowance for Doubtful Accounts - Fraud	\$0				
129 Accrued Interest Receivable	\$0		\$42,204		\$63,141
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$2,459,750	\$0	\$464,513	\$0	\$1,278,356
131 Investments - Unrestricted	\$0				\$0
132 Investments - Restricted	\$0		\$209,719,692		\$0
135 Investments - Restricted for Payment of Current Liability	\$0				\$0
142 Prepaid Expenses and Other Assets	\$888,390				
143 Inventories	\$0				
143.1 Allowance for Obsolete Inventories	\$0				

Philadelphia Housing Authority (PA002)
PHILADELPHIA, PA
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	6.1 Component Unit - Discretely Presented	93.044 Special Programs for the Aging, Title III, Part B, Grants for Supportive	5 Fiduciary	14.182 N/C S/R Section 8 Programs	14.871 Housing Choice Vouchers
144 Inter Program Due From	\$0			\$22,872	
145 Assets Held for Sale	\$0				
150 Total Current Assets	\$35,065,245	\$0	\$212,835,245	\$22,872	\$10,962,431
161 Land	\$5,573,824				
162 Buildings	\$577,674,029				
163 Furniture, Equipment & Machinery - Dwellings	\$555,845				
164 Furniture, Equipment & Machinery - Administration	\$3,337,710	\$2,489			\$377,402
165 Leasehold Improvements	\$0				
166 Accumulated Depreciation	-\$150,004,478	-\$2,489			-\$377,402
167 Construction in Progress	\$3,478,033				
168 Infrastructure	\$0				
180 Total Capital Assets, Net of Accumulated Depreciation	\$440,614,963	\$0	\$0	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0				
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	\$0				
173 Grants Receivable - Non Current	\$0				
174 Other Assets	\$2,190,446				
176 Investments in Joint Ventures	\$0				
180 Total Non-Current Assets	\$442,805,409	\$0	\$0	\$0	\$0
200 Deferred Outflow of Resources	\$0	\$0	\$0	\$0	
290 Total Assets and Deferred Outflow of Resources	\$477,870,654	\$0	\$212,835,245	\$22,872	\$10,962,431
311 Bank Overdraft	\$0				

Philadelphia Housing Authority (PA002)
PHILADELPHIA, PA
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	6.1 Component Unit - Discretely Presented	93.044 Special Programs for the Aging Title III, Part B, Grants for Supportive	5 Fiduciary	14.182 M/C S/R Section 8 Programs	14.871 Housing Choice Vouchers
312 Accounts Payable <= 90 Days	\$2,049,667				\$715
313 Accounts Payable >90 Days Past Due	\$0				
321 Accrued Wage/Payroll Taxes Payable	\$0				
322 Accrued Compensated Absences - Current Portion	\$0				\$42,518
324 Accrued Contingency Liability	\$0				
325 Accrued Interest Payable	\$0				
331 Accounts Payable - HUD PHA Programs	\$0				
332 Account Payable - PHA Projects	\$0				
333 Accounts Payable - Other Government	\$0				
341 Tenant Security Deposits	\$525,688				
342 Unearned Revenue	\$180,748				
343 Current Portion of Long-term Debt - Capital	\$358,440				
344 Current Portion of Long-term Debt - Operating Borrowings	\$0				
345 Other Current Liabilities	\$2,475,168		\$86,779		\$5,850
346 Accrued Liabilities - Other	\$4,487,987				
347 Inter Program - Due To	\$0				
348 Loan Liability - Current	\$0				
310 Total Current Liabilities	\$10,077,698	\$0	\$86,779	\$0	\$49,083
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$353,835,874				
352 Long-term Debt, Net of Current - Operating Borrowings	\$0				
353 Non-current Liabilities - Other	\$62,510,480				\$97,335
354 Accrued Compensated Absences - Non Current	\$0				\$28,347
355 Loan Liability - Non Current	\$0				
356 FASB 5 Liabilities	\$0				
357 Accrued Pension and OPEB Liabilities	\$0	\$0	\$0	\$0	\$0

Philadelphia Housing Authority (PA002)
 PHILADELPHIA, PA
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	6.1 Component Unit - Discretely Presented	93.044 Special Programs for the Aging, Title III, Part B, Grants for Supportive	5 Fiduciary	14.182 N/C S/R Section 8 Programs	14.871 Housing Choice Vouchers
350 Total Non-Current Liabilities	\$416,346,354	\$0	\$0	\$0	\$125,682
300 Total Liabilities	\$426,424,052	\$0	\$86,779	\$0	\$174,765
400 Deferred Inflow of Resources					
508.3 Nonspendable Fund Balance					
508.4 Net Investment in Capital Assets	\$86,420,649	\$0	\$0	\$0	\$0
509.3 Restricted Fund Balance					
510.3 Committed Fund Balance					
511.3 Assigned Fund Balance					
511.4 Restricted Net Position	\$0		\$0		\$9,633,400
512.3 Unassigned Fund Balance					
512.4 Unrestricted Net Position	-\$34,974,047	\$0	\$212,748,466	\$22,872	\$1,154,266
513 Total Equity - Net Assets / Position	\$51,446,602	\$0	\$212,748,466	\$22,872	\$10,787,666
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$477,870,654	\$0	\$212,835,245	\$22,872	\$10,962,431

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	14.CFP MTW Demonstration Program for Capital Fund	14.OPS MTW Demonstration Program for Low Rent	14.HCV MTW Demonstration Program for HCV program	14.879 Mainstream Vouchers	93.575 Child Care and Development Block Grant
111 Cash - Unrestricted					
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted					
114 Cash - Tenant Security Deposits					
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$0	\$0	\$0	\$0	\$0
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$0		\$0		
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous					
126 Accounts Receivable - Tenants					
126.1 Allowance for Doubtful Accounts - Tenants			\$0		
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0		
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$0	\$0	\$0
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets					
143 Inventories					
143.1 Allowance for Obsolete Inventories					

Philadelphia Housing Authority (PA002)
PHILADELPHIA, PA
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	14.CFP MTW Demonstration Program for Capital Fund	14.OPS MTW Demonstration Program for Low Rent	14.HCV MTW Demonstration Program for HCV program	14.879 Mainstream Vouchers	93.575 Child Care and Development Block Grant
144 Inter Program Due From				\$266,791	
145 Assets Held for Sale					
150 Total Current Assets	\$0	\$0	\$0	\$266,791	\$0
161 Land					
162 Buildings					
163 Furniture, Equipment & Machinery - Dwellings					
164 Furniture, Equipment & Machinery - Administration					
165 Leasehold Improvements					
166 Accumulated Depreciation					
167 Construction in Progress					
168 Infrastructure					
180 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$0	\$0	\$0	\$0	\$0
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$0	\$0	\$0	\$266,791	\$0
311 Bank Overdraft					

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	14.CFP MTW Demonstration Program for Capital Fund	14.OPS MTW Demonstration Program for Low Rent	14.HCV MTW Demonstration Program for HCV program	14.879 Mainstream Vouchers	93.575 Child Care and Development Block Grant
312 Accounts Payable <= 90 Days					
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion					
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits					
342 Unearned Revenue					
343 Current Portion of Long-term Debt - Capital					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities					
346 Accrued Liabilities - Other					
347 Inter Program - Due To					
348 Loan Liability - Current					
310 Total Current Liabilities	\$0	\$0	\$0	\$0	\$0
351 Long-term Debt, Net of Current - Capital Projects/Mortgage					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					
354 Accrued Compensated Absences - Non Current					
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					

Philadelphia Housing Authority (PA002)
 PHILADELPHIA, PA
 Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	14.CFP MTW Demonstration Program for Capital Fund	14.OPS MTW Demonstration Program for Low Rent	14.HCV MTW Demonstration Program for HCV program	14.879 Mainstream Vouchers	93.575 Child Care and Development Block Grant
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$0	\$0
300 Total Liabilities	\$0	\$0	\$0	\$0	\$0
400 Deferred Inflow of Resources					
508.3 Nonspendable Fund Balance					
508.4 Net Investment in Capital Assets					
509.3 Restricted Fund Balance					
510.3 Committed Fund Balance					
511.3 Assigned Fund Balance					
511.4 Restricted Net Position					
512.3 Unassigned Fund Balance					
512.4 Unrestricted Net Position	\$0	\$0	\$0	\$266,791	\$0
513 Total Equity - Net Assets / Position	\$0	\$0	\$0	\$266,791	\$0
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$0	\$0	\$0	\$266,791	\$0

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	2 State/Local	14.856 Lower Income Housing Assistance Program, Section 8 Moderate	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$1,611,071	\$1,078,869	\$71,754,658		\$71,754,658
112 Cash - Restricted - Modernization and Development		\$0	\$0		\$0
113 Cash - Other Restricted		\$0	\$47,483,024		\$47,483,024
114 Cash - Tenant Security Deposits		\$0	\$1,338,639		\$1,338,639
115 Cash - Restricted for Payment of Current Liabilities		\$0	\$24,289		\$24,289
100 Total Cash	\$1,611,071	\$1,078,869	\$120,600,610	\$0	\$120,600,610
121 Accounts Receivable - PHA Projects		\$0	\$1,384,424		\$1,384,424
122 Accounts Receivable - HUD Other Projects		\$11,664	\$43,396,600		\$43,396,600
124 Accounts Receivable - Other Government		\$0	\$94,369		\$94,369
125 Accounts Receivable - Miscellaneous	\$29,340	\$0	\$39,771,940	-\$24,430,936	\$15,341,004
126 Accounts Receivable - Tenants		\$0	\$1,873,209		\$1,873,209
126.1 Allowance for Doubtful Accounts - Tenants		\$0	-\$1,291,565		-\$1,291,565
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	-\$4,526,345		-\$4,526,345
127 Notes, Loans, & Mortgages Receivable - Current		\$0	\$0		\$0
128 Fraud Recovery		\$0	\$0		\$0
128.1 Allowance for Doubtful Accounts - Fraud		\$0	\$0		\$0
129 Accrued Interest Receivable	\$2	\$6	\$138,659		\$138,659
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$29,342	\$11,670	\$80,841,271	-\$24,430,936	\$56,410,335
131 Investments - Unrestricted		\$0	\$54,323,835		\$54,323,835
132 Investments - Restricted		\$0	\$212,726,968		\$212,726,968
135 Investments - Restricted for Payment of Current Liability		\$0	\$0		\$0
142 Prepaid Expenses and Other Assets		\$0	\$1,083,706		\$1,083,706
143 Inventories		\$0	\$1,510,029		\$1,510,029
143.1 Allowance for Obsolete Inventories		\$0	-\$151,003		-\$151,003

Philadelphia Housing Authority (PA002)
PHILADELPHIA, PA
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	2 State/Local	14.856 Lower Income Housing Assistance Program, Section 8 Moderate	Subtotal	ELIM	Total
144 Inter Program Due From	\$490,868	\$1,751,148	\$5,367,230	-\$5,367,230	\$0
145 Assets Held for Sale		\$0	\$0		\$0
150 Total Current Assets	\$2,131,281	\$2,841,687	\$476,302,646	-\$29,798,166	\$446,504,480
161 Land		\$0	\$29,159,206		\$29,159,206
162 Buildings	\$250,000	\$633,750	\$2,071,039,975		\$2,071,039,975
163 Furniture, Equipment & Machinery - Dwellings	\$1,319	\$0	\$1,801,009		\$1,801,009
164 Furniture, Equipment & Machinery - Administration	\$290,125	\$0	\$27,848,536		\$27,848,536
165 Leasehold Improvements		\$0	\$0		\$0
166 Accumulated Depreciation	-\$178,492	-\$42,250	-\$1,153,244,629		-\$1,153,244,629
167 Construction in Progress		\$0	\$43,190,199		\$43,190,199
168 Infrastructure		\$0	\$0		\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$362,952	\$591,500	\$1,019,794,296	\$0	\$1,019,794,296
171 Notes, Loans and Mortgages Receivable - Non-Current		\$0	\$376,645,932		\$376,645,932
172 Notes, Loans, & Mortgages Receivable - Non Current - Past		\$0	\$0		\$0
173 Grants Receivable - Non Current		\$0	\$0		\$0
174 Other Assets		\$0	\$12,278,457		\$12,278,457
176 Investments in Joint Ventures		\$0	\$5,076,592		\$5,076,592
180 Total Non-Current Assets	\$362,952	\$591,500	\$1,413,795,277	\$0	\$1,413,795,277
200 Deferred Outflow of Resources		\$0	\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$2,494,233	\$3,433,187	\$1,890,097,923	-\$29,798,166	\$1,860,299,757
311 Bank Overdraft		\$0	\$0		\$0

Philadelphia Housing Authority (PA002)
PHILADELPHIA, PA
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	2 State/Local	14.856 Lower Income Housing Assistance Program, Section 8 Moderate	Subtotal	ELIM	Total
312 Accounts Payable <= 90 Days		\$11	\$8,265,410		\$8,265,410
313 Accounts Payable >90 Days Past Due		\$0	\$0		\$0
321 Accrued Wage/Payroll Taxes Payable		\$0	\$548,746		\$548,746
322 Accrued Compensated Absences - Current Portion		\$0	\$4,939,203		\$4,939,203
324 Accrued Contingency Liability		\$0	\$0		\$0
325 Accrued Interest Payable		\$0	\$945,730		\$945,730
331 Accounts Payable - HUD PHA Programs		\$0	\$0		\$0
332 Account Payable - PHA Projects		\$0	\$0		\$0
333 Accounts Payable - Other Government		\$0	\$223,836		\$223,836
341 Tenant Security Deposits		\$0	\$1,324,879		\$1,324,879
342 Unearned Revenue		\$301,343	\$2,389,442		\$2,389,442
343 Current Portion of Long-term Debt - Capital		\$0	\$5,173,440		\$5,173,440
344 Current Portion of Long-term Debt - Operating Borrowings		\$0	\$0		\$0
345 Other Current Liabilities	\$640,188	\$0	\$11,526,404		\$11,526,404
346 Accrued Liabilities - Other	\$469	\$8,378	\$36,934,905	-\$24,430,936	\$12,503,969
347 Inter Program - Due To		\$2,493,462	\$5,367,230	-\$5,367,230	\$0
348 Loan Liability - Current		\$0	\$0		\$0
310 Total Current Liabilities	\$640,657	\$2,803,214	\$77,638,225	-\$29,798,166	\$47,841,059
351 Long-term Debt, Net of Current - Capital Projects/Mortgage		\$0	\$399,990,264		\$399,990,264
352 Long-term Debt, Net of Current - Operating Borrowings		\$0	\$0		\$0
353 Non-current Liabilities - Other		\$0	\$67,808,922		\$67,808,922
354 Accrued Compensated Absences - Non Current		\$0	\$3,292,787		\$3,292,787
355 Loan Liability - Non Current		\$0	\$0		\$0
356 FASB 5 Liabilities		\$0	\$0		\$0
357 Accrued Pension and OPEB Liabilities		\$0	\$1,708,734		\$1,708,734

Philadelphia Housing Authority (PA002)
PHILADELPHIA, PA
Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	2 State/Local	14.856 Lower Income Housing Assistance Program, Section 8 Moderate	Subtotal	ELIM	Total
350 Total Non-Current Liabilities	\$0	\$0	\$472,800,707	\$0	\$472,800,707
300 Total Liabilities	\$640,657	\$2,803,214	\$550,439,932	-\$29,798,166	\$520,641,766
400 Deferred Inflow of Resources		\$0	\$0	\$0	\$0
508.3 Nonspendable Fund Balance		\$0			
508.4 Net Investment in Capital Assets	\$362,952	\$591,500	\$614,630,592		\$614,630,592
509.3 Restricted Fund Balance		\$0			
510.3 Committed Fund Balance		\$0			
511.3 Assigned Fund Balance		\$0			
511.4 Restricted Net Position		\$0	\$12,757,610		\$12,757,610
512.3 Unassigned Fund Balance		\$0			
512.4 Unrestricted Net Position	\$1,490,624	\$38,473	\$712,269,789		\$712,269,789
513 Total Equity - Net Assets / Position	\$1,853,576	\$629,973	\$1,339,657,991	\$0	\$1,339,657,991
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$2,494,233	\$3,433,187	\$1,890,097,923	-\$29,798,166	\$1,860,299,757

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	Project Total	14.881 Moving to Work Demonstration Program	14.870 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
70300 Net Tenant Rental Revenue	\$23,714,525	\$0			
70400 Tenant Revenue - Other	\$681,054	\$0			
70500 Total Tenant Revenue	\$24,395,579	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$0	\$0	\$353,746	\$81,560	\$304,693
70610 Capital Grants	\$0				
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants	\$0	\$0			\$83,103
71100 Investment Income - Unrestricted	\$120,558	\$318			
71200 Mortgage Interest Income	\$0	\$0			
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0			
71310 Cost of Sale of Assets	\$0	\$0			
71400 Fraud Recovery	\$71,189	\$116,934			
71500 Other Revenue	\$38,841	\$306,969		\$20,395	
71600 Gain or Loss on Sale of Capital Assets	\$447,188	-\$513,367			
72000 Investment Income - Restricted	\$0	\$0			
70000 Total Revenue	\$25,073,355	-\$89,146	\$353,746	\$101,975	\$387,796
91100 Administrative Salaries	\$8,043,600	\$24,222,664	\$102,938		

Philadelphia Housing Authority (PA002)
PHILADELPHIA, PA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	Project Total	14.681 Moving to Work Demonstration Program	14.670 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
91200 Auditing Fees	\$0	\$281,908			
91300 Management Fee	\$0	\$0	\$0	\$0	\$0
91310 Book-keeping Fee	\$0				
91400 Advertising and Marketing	\$0	\$63,744			
91500 Employee Benefit contributions - Administrative	\$3,790,894	\$15,848,992	\$2,701		
91600 Office Expenses	\$1,361,625	\$3,746,665	\$18,585		
91700 Legal Expense	\$684,954	-\$245,396			
91800 Travel	\$15,673	\$155,445	\$3,448		\$2,082
91810 Allocated Overhead	\$18,274,428	-\$18,274,428			
91900 Other	\$611,861	\$8,768,058	\$7,122		\$211,745
91000 Total Operating - Administrative	\$32,783,035	\$34,567,652	\$134,792	\$0	\$213,827
92000 Asset Management Fee	\$0				
92100 Tenant Services - Salaries	\$40,258	\$373,476	\$152,937	\$8,590	
92200 Relocation Costs	\$299,724	\$908			
92300 Employee Benefit Contributions - Tenant Services	\$18,893	\$0		\$2,177	
92400 Tenant Services - Other	\$577,636	\$473,750	\$65,967	\$91,123	\$172,684
92500 Total Tenant Services	\$836,511	\$848,134	\$218,904	\$101,890	\$172,684
93100 Water	\$11,160,277	\$65,416			
93200 Electricity	\$5,259,861	\$375,473			
93300 Gas	\$7,055,488	\$54,315			
93400 Fuel	\$0	\$0			
93500 Labor	\$66,329	\$0			
93600 Sewer	\$0	\$0			
93700 Employee Benefit Contributions - Utilities	\$30,948	\$0			

Philadelphia Housing Authority (PA002)
 PHILADELPHIA, PA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	Project Total	14.881 Moving to Work Demonstration Program	14.870 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
93800 Other Utilities Expense	\$14,264	\$0			
93000 Total Utilities	\$23,587,167	\$495,204	\$0	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor	\$33,158,595	\$1,084,514			
94200 Ordinary Maintenance and Operations - Materials and	\$6,870,486	-\$209,421			
94300 Ordinary Maintenance and Operations Contracts	\$5,353,855	\$520,819	\$0	\$0	\$0
94500 Employee Benefit Contributions - Ordinary Maintenance	\$15,695,101				
94000 Total Maintenance	\$61,078,038	\$1,395,912	\$0	\$0	\$0
95100 Protective Services - Labor	\$5,631,567	\$164,858			
95200 Protective Services - Other Contract Costs	\$2,205,269	\$837,876			
95300 Protective Services - Other	\$71,806	\$7,855			
95500 Employee Benefit Contributions - Protective Services	\$2,843,079	\$0			
95000 Total Protective Services	\$10,551,721	\$1,010,589	\$0	\$0	\$0
96110 Property Insurance	\$4,493,148	\$0			
96120 Liability Insurance	\$476,675	\$0			
96130 Workmen's Compensation	\$5,170,785	-\$203,218	\$50	\$85	
96140 All Other Insurance	\$76,224	\$24,736			
96100 Total Insurance Premiums	\$10,216,812	-\$178,482	\$50	\$85	\$0
96200 Other General Expenses	\$17,351,032	\$313,538			
96210 Compensated Absences	\$0	-\$756,105			
96300 Payments in Lieu of Taxes	\$0	\$0			
96400 Bad debt - Tenant Rents	\$59,962	\$0			
96500 Bad debt - Mortgages	\$0	\$0			

Philadelphia Housing Authority (PA002)
 PHILADELPHIA, PA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	Project Total	14.881 Moving to Work Demonstration Program	14.870 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
96600 Bad debt - Other	\$0	\$0			
96800 Severance Expense	\$310,521	\$51,436			
96000 Total Other General Expenses	\$17,721,535	-\$393,131	\$0	\$0	\$0
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0			
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0			
96730 Amortization of Bond Issue Costs		\$0	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$156,874,819	\$37,745,878	\$353,746	\$101,975	\$386,511
97000 Excess of Operating Revenue over Operating Expenses	-\$131,801,464	-\$37,835,024	\$0	\$0	\$1,285
97100 Extraordinary Maintenance	\$4,234,009	\$485,969			-\$792
97200 Casualty Losses - Non-capitalized	\$0	\$0			
97300 Housing Assistance Payments		\$133,419,518			
97350 HAP Portability-In		\$0			
97400 Depreciation Expense	\$38,278,260	\$16,966,204			\$92
97500 Fraud Losses		\$0			
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$199,387,088	\$188,647,569	\$353,746	\$101,975	\$385,811
10010 Operating Transfer In	\$139,349,742	\$343,484,448			
10020 Operating transfer Out	-\$39,207	-\$172,722,743			

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	Project Total	14.881 Moving to Work Demonstration Program	14.870 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
10030 Operating Transfers from/to Primary Government	\$0	\$0			
10040 Operating Transfers from/to Component Unit		-\$1,374,809			
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss		\$0			
10080 Special Items (Net Gain/Loss)		\$0			
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In	\$0				
10094 Transfers between Project and Program - Out	\$0	\$0			
10100 Total Other financing Sources (Uses)	\$139,310,535	\$169,386,896	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$35,003,198	-\$19,349,819	\$0	\$0	\$1,985
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$396,741,814	\$263,803,960	\$0	\$0	\$0
11040 Prior Period Adjustments, Equity Transfers and Correction	\$0	\$1,285	\$0	\$0	-\$1,285
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	141549	196244			

Philadelphia Housing Authority (PA002)
 PHILADELPHIA, PA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	Project Total	14.881 Moving to Work Demonstration Program	14.870 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
11210 Number of Unit Months Leased	121247	196244			
11270 Excess Cash	-\$10,433,547				
11610 Land Purchases	\$0				
11620 Building Purchases	\$4,770,317				
11630 Furniture & Equipment - Dwelling Purchases	\$0				
11640 Furniture & Equipment - Administrative Purchases	\$0				
11650 Leasehold Improvements Purchases	\$0				
11660 Infrastructure Purchases	\$0				
13510 CFFP Debt Service Payments	\$0				
13901 Replacement Housing Factor Funds	\$3,139,481				

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	10,559 Summer Food Service Program for Children	14,249 Section 8 Moderate Rehabilitation Single Room Occupancy	97,109 Disaster Housing Assistance Grant	6.2 Component Unit - Blended	1 Business Activities
70300 Net Tenant Rental Revenue				\$0	\$28,582
70400 Tenant Revenue - Other				\$0	
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$28,582
70600 HUD PHA Operating Grants	\$0	\$1,849,861	\$0	\$0	\$0
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants	\$174,171			\$0	
71100 Investment Income - Unrestricted				\$40,204	\$0
71200 Mortgage Interest Income				\$0	\$5,701,284
71300 Proceeds from Disposition of Assets Held for Sale				\$0	
71310 Cost of Sale of Assets				\$0	
71400 Fraud Recovery				\$0	
71500 Other Revenue	\$340,783			\$1,441,256	\$838,899
71600 Gain or Loss on Sale of Capital Assets				\$0	
72000 Investment Income - Restricted				\$0	
70000 Total Revenue	\$514,954	\$1,849,861	\$0	\$1,481,460	\$6,568,774
91100 Administrative Salaries		\$59,327		\$534,730	
91200 Auditing Fees				\$52,236	

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	10,559 Summer Food Service Program for Children	14,249 Section 8 Moderate Rehabilitation Single Room Occupancy	97,109 Disaster Housing Assistance Grant	6.2 Component Unit - Blended	1 Business Activities
91300 Management Fee	\$0	\$0	\$0	\$0	\$0
91310 Book-keeping Fee					
91400 Advertising and Marketing				\$0	
91500 Employee Benefit contributions - Administrative		\$21,099		\$288,665	\$26,949
91600 Office Expenses	\$498			\$36,137	
91700 Legal Expense				\$0	
91800 Travel	\$2,180			\$3,686	
91810 Allocated Overhead				\$0	
91900 Other				\$125,272	\$51,125
91000 Total Operating - Administrative	\$2,678	\$80,426	\$0	\$1,040,726	\$78,074
92000 Asset Management Fee					
92100 Tenant Services - Salaries	\$110,778			\$0	
92200 Relocation Costs				\$0	
92300 Employee Benefit Contributions - Tenant Services				\$0	
92400 Tenant Services - Other	\$401,498			\$226,647	
92500 Total Tenant Services	\$512,276	\$0	\$0	\$226,647	\$0
93100 Water				\$2,098	\$1,614
93200 Electricity				\$2,921	\$25,009
93300 Gas				\$1,529	
93400 Fuel				\$0	
93500 Labor				\$0	
93600 Sewer				\$0	
93700 Employee Benefit Contributions - Utilities				\$0	
93800 Other Utilities Expense				\$0	

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	10,559 Summer Food Service Program for Children	14,249 Section 8 Moderate Rehabilitation Single Room Occupancy	97,109 Disaster Housing Assistance Grant	6.2 Component Unit - Blended	1 Business Activities
93000 Total Utilities	\$0	\$0	\$0	\$6,548	\$26,623
94100 Ordinary Maintenance and Operations - Labor				\$0	\$38
94200 Ordinary Maintenance and Operations - Materials and				\$8,774	
94300 Ordinary Maintenance and Operations Contracts	\$0	\$0	\$0	\$796,290	\$0
94500 Employee Benefit Contributions - Ordinary Maintenance					
94000 Total Maintenance	\$0	\$0	\$0	\$805,064	\$38
95100 Protective Services - Labor				\$0	
95200 Protective Services - Other Contract Costs				\$0	
95300 Protective Services - Other				\$0	
95500 Employee Benefit Contributions - Protective Services				\$0	
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance				\$13,302	
96120 Liability Insurance				\$0	
96130 Workmen's Compensation		\$808		\$5,196	\$4,747
96140 All Other Insurance				\$1,000	
96100 Total Insurance Premiums	\$0	\$808	\$0	\$19,498	\$4,747
96200 Other General Expenses				\$116,197	\$124
96210 Compensated Absences				\$0	
96300 Payments in Lieu of Taxes				\$0	
96400 Bad debt - Tenant Rents				\$0	
96500 Bad debt - Mortgages				\$0	
96600 Bad debt - Other				\$1,804,235	

Philadelphia Housing Authority (PA002)
PHILADELPHIA, PA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	10,559 Summer Food Service Program for Children	14,249 Section 8 Moderate Rehabilitation Single Room Occupancy	97,109 Disaster Housing Assistance Grant	6.2 Component Unit - Blended	1 Business Activities
96800 Severance Expense				\$1,410	
96000 Total Other General Expenses	\$0	\$0	\$0	\$1,921,842	\$124
96710 Interest of Mortgage (or Bonds) Payable				\$0	\$3,191,800
96720 Interest on Notes Payable (Short and Long Term)				\$0	
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$3,191,800
96900 Total Operating Expenses	\$514,954	\$81,234	\$0	\$4,020,325	\$3,301,406
97000 Excess of Operating Revenue over Operating Expenses	\$0	\$1,768,627	\$0	-\$2,538,865	\$3,267,368
97100 Extraordinary Maintenance				\$1,486	\$14,825
97200 Casualty Losses - Non-capitalized				\$0	
97300 Housing Assistance Payments		\$1,369,835		\$0	
97350 HAP Portability-In				\$0	
97400 Depreciation Expense				\$11,909	\$2,450,833
97500 Fraud Losses				\$0	
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$514,954	\$1,451,069	\$0	\$4,033,720	\$5,767,064
10010 Operating Transfer In				\$0	\$33,312,208
10020 Operating transfer Out				\$0	
10030 Operating Transfers from/to Primary Government				\$9,391,616	

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	10,559 Summer Food Service Program for Children	14,249 Section 8 Moderate Rehabilitation Single Room Occupancy	97,109 Disaster Housing Assistance Grant	6.2 Component Unit - Blended	1 Business Activities
10040 Operating Transfers from/to Component Unit				\$0	-\$8,016,807
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss				\$0	
10080 Special Items (Net Gain/Loss)				\$0	
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out				\$0	
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$8,391,616	\$25,295,401
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$0	\$398,792	\$0	\$6,839,356	\$26,097,111
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$4,575,000
11030 Beginning Equity	\$0	\$1,000,298	\$95,807	\$64,136,585	\$337,055,074
11040 Prior Period Adjustments, Equity Transfers and Correction	\$0	\$0	\$0	\$84,260	\$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available		4608			
11210 Number of Unit Months Leased		4608			

Philadelphia Housing Authority (PA002)
 PHILADELPHIA, PA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	10.559 Summer Food Service Program for Children	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	97.109 Disaster Housing Assistance Grant	6.2 Component Unit - Blended	1 Business Activities
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	6.1 Component Unit - Discretely Presented	93.044 Special Programs for the Aging, Title III, Part B, Grants for Supportive	5 Fiduciary	14.182 N/C S/R Section 8 Programs	14.671 Housing Choice Vouchers
70300 Net Tenant Rental Revenue	\$24,159,178				
70400 Tenant Revenue - Other	\$0				
70500 Total Tenant Revenue	\$24,159,178	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants		\$0	\$0	\$0	\$3,667,380
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants	\$0				
71100 Investment Income - Unrestricted	\$16,345		\$3,669,596		\$0
71200 Mortgage Interest Income	\$0				
71300 Proceeds from Disposition of Assets Held for Sale	\$0				
71310 Cost of Sale of Assets	\$0				
71400 Fraud Recovery	\$0				\$33,298
71500 Other Revenue	\$18,680,204		\$8,136,084		\$1,509,458
71600 Gain or Loss on Sale of Capital Assets	\$0				\$1,250
72000 Investment Income - Restricted	\$754		\$10,995,534		\$0
70000 Total Revenue	\$42,856,481	\$0	\$22,801,214	\$0	\$5,211,386
91100 Administrative Salaries	\$3,296,740				\$469,447
91200 Auditing Fees	\$608,000				

Philadelphia Housing Authority (PA002)
 PHILADELPHIA, PA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	8.1 Component Unit - Discretely Presented	93.044 Special Programs for the Aging, Title III, Part B, Grants for Supportive	5 Fiduciary	14.182 N/C S/R Section 8 Programs	14.871 Housing Choice Vouchers
91300 Management Fee	\$1,818,394	\$0	\$525,190	\$0	\$0
91310 Book-keeping Fee					
91400 Advertising and Marketing	\$108,375				
91500 Employee Benefit contributions - Administrative	\$491,748				\$224,759
91600 Office Expenses	\$707,333				
91700 Legal Expense	\$484,138				
91800 Travel	\$0				
91810 Allocated Overhead	\$0				
91900 Other	\$694,003		\$0		
91000 Total Operating - Administrative	\$8,186,731	\$0	\$525,190	\$0	\$694,208
92000 Asset Management Fee					
92100 Tenant Services - Salaries	\$0				
92200 Relocation Costs	\$0				
92300 Employee Benefit Contributions - Tenant Services	\$0				
92400 Tenant Services - Other	\$0				
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0
93100 Water	\$2,588,184				
93200 Electricity	\$1,115,692				
93300 Gas	\$602,264				
93400 Fuel	\$0				
93500 Labor	\$0				
93600 Sewer	\$138,153				
93700 Employee Benefit Contributions - Utilities	\$0				
93800 Other Utilities Expense	\$0				

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	6.1 Component Unit - Discretely Presented	93.044 Special Programs for the Aging, Title III, Part B, Grants for Supportive	5 Fiduciary	14.182 N/C S/R Section 8 Programs	14.871 Housing Choice Vouchers
93000 Total Utilities	\$4,442,293	\$0	\$0	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor	\$1,975,596				
94200 Ordinary Maintenance and Operations - Materials and	\$0				
94300 Ordinary Maintenance and Operations Contracts	\$8,965,187	\$0	\$0	\$0	
94500 Employee Benefit Contributions - Ordinary Maintenance					
94000 Total Maintenance	\$10,940,783	\$0	\$0	\$0	\$0
95100 Protective Services - Labor	\$0				
95200 Protective Services - Other Contract Costs	\$0				
95300 Protective Services - Other	\$0				
95500 Employee Benefit Contributions - Protective Services	\$0				
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$2,062,674				
96120 Liability Insurance	\$0				
96130 Workmen's Compensation	\$141,139				\$11,604
96140 All Other Insurance	\$50,213				
96100 Total Insurance Premiums	\$2,274,026	\$0	\$0	\$0	\$11,604
96200 Other General Expenses	\$722,139		\$22,293,643		\$74,820
96210 Compensated Absences	\$0				-\$24,863
96300 Payments in Lieu of Taxes	\$0				
96400 Bad debt - Tenant Rents	\$180,043				
96500 Bad debt - Mortgages	\$0				
96600 Bad debt - Other	\$1,148				\$1,269,540

Philadelphia Housing Authority (PA002)
PHILADELPHIA, PA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	6.1 Component Unit - Discretely Presented	93.044 Special Programs for the Aging, Title III, Part B, Grants for Supportive	5 Fiduciary	14.182 N/C S/R Section 8 Programs	14.671 Housing Choice Vouchers
96800 Severance Expense	\$0				\$2,034
96000 Total Other General Expenses	\$903,330	\$0	\$22,293,643	\$0	\$1,321,331
96710 Interest of Mortgage (or Bonds) Payable	\$6,069,270				
96720 Interest on Notes Payable (Short and Long Term)	\$0				
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0	
96700 Total Interest Expense and Amortization Cost	\$6,069,270	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$32,816,433	\$0	\$22,818,833	\$0	\$2,027,141
97000 Excess of Operating Revenue over Operating Expenses	\$10,040,048	\$0	-\$17,619	\$0	\$3,184,245
97100 Extraordinary Maintenance	\$0				
97200 Casualty Losses - Non-capitalized	\$0				
97300 Housing Assistance Payments	\$0				\$2,874,248
97350 HAP Portability-In	\$0				\$1,327,506
97400 Depreciation Expense	\$17,723,881				
97500 Fraud Losses	\$0				
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$50,540,314	\$0	\$22,818,833	\$0	\$6,228,895
10010 Operating Transfer In	\$0				
10020 Operating transfer Out	\$0				
10030 Operating Transfers from/to Primary Government	\$0				

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	6.1 Component Unit - Discretely Presented	93.044 Special Programs for the Aging, Title III, Part B, Grants for Supportive	5 Fiduciary	14.182 N/C S/R Section 8 Programs	14.871 Housing Choice Vouchers
10040 Operating Transfers from/to Component Unit	\$0				
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss	\$0				
10080 Special Items (Net Gain/Loss)	\$0				
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out	\$0				
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$7,683,833	\$0	-\$17,619	\$0	-\$1,017,509
11020 Required Annual Debt Principal Payments	\$10,632,068	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$59,130,435	\$0	\$212,766,085	\$22,872	\$11,605,175
11040 Prior Period Adjustments, Equity Transfers and Correction	\$0	\$0	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					\$1,154,266
11180 Housing Assistance Payments Equity					\$9,633,400
11190 Unit Months Available					4935
11210 Number of Unit Months Leased					4935

Philadelphia Housing Authority (PA002)
 PHILADELPHIA, PA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	6.1 Component Unit - Discretely Presented	93.044 Special Programs for the Aging, Title III, Part B, Grants for Supportive	5 Fiduciary	14.182 N/C S/R Section 8 Programs	14.871 Housing Choice Vouchers
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	14.CFP MTW Demonstration Program for Capital Fund	14.OPS MTW Demonstration Program for Low Rent	14.HCV MTW Demonstration Program for HCV program	14.879 Mainstream Vouchers	93.575 Child Care and Development Block Grant
70300 Net Tenant Rental Revenue					
70400 Tenant Revenue - Other					
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$18,607,690	\$116,902,704	\$194,625,524	\$505,128	
70610 Capital Grants	\$13,348,530				
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants					
71100 Investment Income - Unrestricted					
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue					
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$31,956,220	\$116,902,704	\$194,625,524	\$505,128	\$0
91100 Administrative Salaries				\$8,696	
91200 Auditing Fees					

Philadelphia Housing Authority (PA002)
PHILADELPHIA, PA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	14.CFP MTW Demonstration Program for Capital Fund	14.OPS MTW Demonstration Program for Low Rent	14.HCV MTW Demonstration Program for HCV program	14.679 Mainstream Vouchers	93.575 Child Care and Development Block Grant
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative				\$3,093	
91600 Office Expenses					
91700 Legal Expense					
91800 Travel					
91810 Allocated Overhead		-\$2			
91900 Other		\$2			
91000 Total Operating - Administrative	\$0	\$0	\$0	\$11,789	\$0
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other					
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0
93100 Water					
93200 Electricity					
93300 Gas					
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	14.CFP MTW Demonstration Program for Capital Fund	14.OPS MTW Demonstration Program for Low Rent	14.HCV MTW Demonstration Program for HCV program	14.879 Mainstream Vouchers	93.575 Child Care and Development Block Grant
93000 Total Utilities	\$0	\$0	\$0	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor					
94200 Ordinary Maintenance and Operations - Materials and					
94300 Ordinary Maintenance and Operations Contracts					
94500 Employee Benefit Contributions - Ordinary Maintenance					
94000 Total Maintenance	\$0	\$0	\$0	\$0	\$0
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance					
96120 Liability Insurance					
96130 Workmen's Compensation				\$118	
96140 All Other Insurance					
96100 Total insurance Premiums	\$0	\$0	\$0	\$118	\$0
96200 Other General Expenses				\$549	
96210 Compensated Absences					
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents					
96500 Bad debt - Mortgages					
96600 Bad debt - Other					

Philadelphia Housing Authority (PA002)
PHILADELPHIA, PA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	14.CFP MTW Demonstration Program for Capital Fund	14.GPS MTW Demonstration Program for Low Rent	14.HCV MTW Demonstration Program for HCV program	14.879 Mainstream Vouchers	93.575 Child Care and Development Block Grant
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$0	\$0	\$549	\$0
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$0	\$0	\$0	\$12,456	\$0
97000 Excess of Operating Revenue over Operating Expenses	\$31,956,220	\$116,902,704	\$194,625,524	\$492,672	\$0
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments				\$469,815	
97350 HAP Portability-In					
97400 Depreciation Expense					
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$0	\$0	\$0	\$482,271	\$0
10010 Operating Transfer In	\$0	\$0			
10020 Operating transfer Out	-\$31,956,220	-\$116,902,704	-\$194,625,524		
10030 Operating Transfers from/to Primary Government					

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	14.CFP MTW Demonstration Program for Capital Fund	14.OPS MTW Demonstration Program for Low Rent	14.HCV MTW Demonstration Program for HCV program	14.879 Mainstream Vouchers	93.575 Child Care and Development Block Grant
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	-\$31,956,220	-\$116,902,704	-\$194,625,524	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$0	\$0	\$0	\$22,857	\$0
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$0	\$0	\$0	\$243,934	\$0
11040 Prior Period Adjustments, Equity Transfers and Correction	\$0		\$0		
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available				840	
11210 Number of Unit Months Leased				769	

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	14 CFP MTW Demonstration Program for Capital Fund	14 OPS MTW Demonstration Program for Low Rent	14 HCV MTW Demonstration Program for HCV program	14 879 Mainstream Vouchers	93 575 Child Care and Development Block Grant
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	2 State/Local	14.856 Lower Income Housing Assistance Program, Section 8 Moderate	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue		\$0	\$47,902,285		\$47,902,285
70400 Tenant Revenue - Other		\$0	\$681,054		\$681,054
70500 Total Tenant Revenue	\$0	\$0	\$48,583,339	\$0	\$48,583,339
70600 HUD PHA Operating Grants		\$1,869,170	\$338,767,476		\$338,767,476
70610 Capital Grants		\$0	\$13,348,530		\$13,348,530
70710 Management Fee		\$0			
70720 Asset Management Fee		\$0			
70730 Book Keeping Fee		\$0			
70740 Front Line Service Fee		\$0			
70750 Other Fees		\$0			
70700 Total Fee Revenue		\$0	\$0	\$0	\$0
70800 Other Government Grants	\$289,681	\$0	\$546,955		\$546,955
71100 Investment Income - Unrestricted	\$2	\$66	\$3,847,098		\$3,847,098
71200 Mortgage Interest Income		\$0	\$5,701,284		\$5,701,284
71300 Proceeds from Disposition of Assets Held for Sale		\$0	\$0		\$0
71310 Cost of Sale of Assets		\$0	\$0		\$0
71400 Fraud Recovery		\$0	\$221,421		\$221,421
71500 Other Revenue	\$21,243	\$0	\$31,334,132		\$31,334,132
71600 Gain or Loss on Sale of Capital Assets		\$0	-\$64,929		-\$64,929
72000 Investment Income - Restricted		\$0	\$10,996,288		\$10,996,288
70000 Total Revenue	\$310,926	\$1,869,236	\$453,281,594	\$0	\$453,281,594
91100 Administrative Salaries	\$49,933	\$47,472	\$36,835,545		\$36,835,545
91200 Auditing Fees		\$0	\$942,144		\$942,144

Philadelphia Housing Authority (PA002)
 PHILADELPHIA, PA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	2 State/Local	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	Subtotal	ELIM	Total
91300 Management Fee		\$0	\$2,343,584		\$2,343,584
91310 Book-keeping Fee		\$0	\$0		\$0
91400 Advertising and Marketing		\$0	\$170,119		\$170,119
91500 Employee Benefit contributions - Administrative	\$10,110	\$16,888	\$20,725,898		\$20,725,898
91600 Office Expenses	\$378	\$0	\$5,871,221		\$5,871,221
91700 Legal Expense		\$0	\$903,696		\$903,696
91800 Travel	\$1,001	\$0	\$183,515		\$183,515
91810 Allocated Overhead		\$0	-\$2		-\$2
91900 Other		\$0	\$10,469,188		\$10,469,188
91000 Total Operating - Administrative	\$61,422	\$64,360	\$78,444,908	\$0	\$78,444,908
92000 Asset Management Fee		\$0	\$0		\$0
92100 Tenant Services - Salaries		\$0	\$686,039		\$686,039
92200 Relocation Costs		\$0	\$300,632		\$300,632
92300 Employee Benefit Contributions - Tenant Services		\$0	\$21,070		\$21,070
92400 Tenant Services - Other		\$0	\$2,009,305		\$2,009,305
92500 Total Tenant Services	\$0	\$0	\$3,017,046	\$0	\$3,017,046
93100 Water		\$0	\$13,817,589		\$13,817,589
93200 Electricity		\$0	\$6,778,956		\$6,778,956
93300 Gas		\$0	\$7,713,596		\$7,713,596
93400 Fuel		\$0	\$0		\$0
93500 Labor		\$0	\$66,329		\$66,329
93600 Sewer		\$0	\$136,153		\$136,153
93700 Employee Benefit Contributions - Utilities		\$0	\$30,948		\$30,948
93800 Other Utilities Expense		\$0	\$14,264		\$14,264

Philadelphia Housing Authority (PA002)
 PHILADELPHIA, PA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	2 State/Local	14 856 Lower Income Housing Assistance Program, Section 8 Moderate	Subtotal	ELIM	Total
93000 Total Utilities	\$0	\$0	\$28,557,835	\$0	\$28,557,835
94100 Ordinary Maintenance and Operations - Labor		\$0	\$36,218,744		\$36,218,744
94200 Ordinary Maintenance and Operations - Materials and		\$0	\$6,669,839		\$6,669,839
94300 Ordinary Maintenance and Operations Contracts		\$0	\$15,636,151		\$15,636,151
94500 Employee Benefit Contributions - Ordinary Maintenance		\$0	\$15,695,101		\$15,695,101
94000 Total Maintenance	\$0	\$0	\$74,219,835	\$0	\$74,219,835
95100 Protective Services - Labor		\$0	\$5,796,425		\$5,796,425
95200 Protective Services - Other Contract Costs		\$0	\$3,043,145		\$3,043,145
95300 Protective Services - Other	\$5,757	\$0	\$85,418		\$85,418
95500 Employee Benefit Contributions - Protective Services		\$0	\$2,643,079		\$2,643,079
95000 Total Protective Services	\$5,757	\$0	\$11,568,067	\$0	\$11,568,067
96110 Property Insurance		\$0	\$6,589,124		\$6,589,124
96120 Liability Insurance		\$0	\$476,675		\$476,675
96130 Workmen's Compensation	\$250	\$645	\$5,132,189		\$5,132,189
96140 All Other Insurance		\$0	\$152,173		\$152,173
96100 Total Insurance Premiums	\$250	\$645	\$12,350,161	\$0	\$12,350,161
96200 Other General Expenses	\$51,928	\$35,615	\$40,959,385		\$40,959,385
96210 Compensated Absences		\$0	-\$782,968		-\$782,968
96300 Payments in Lieu of Taxes		\$0	\$0		\$0
96400 Bad debt - Tenant Rents		\$0	\$240,025		\$240,025
96500 Bad debt - Mortgages		\$0	\$0		\$0
96600 Bad debt - Other		\$0	\$3,074,923		\$3,074,923

Philadelphia Housing Authority (PA002)
 PHILADELPHIA, PA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	2 State/Local	14.856 Lower income Housing Assistance Program, Section 8 Moderate	Subtotal	ELIM	Total
96800 Severance Expense		\$0	\$365,401		\$365,401
96000 Total Other General Expenses	\$51,928	\$35,615	\$43,856,766	\$0	\$43,856,766
96710 Interest of Mortgage (or Bonds) Payable		\$0	\$9,261,070		\$9,261,070
96720 Interest on Notes Payable (Short and Long Term)		\$0	\$0		\$0
96730 Amortization of Bond Issue Costs		\$0	\$0		\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$9,261,070	\$0	\$9,261,070
96900 Total Operating Expenses	\$119,357	\$100,620	\$261,275,688	\$0	\$261,275,688
97000 Excess of Operating Revenue over Operating Expenses	\$191,569	\$1,768,616	\$192,005,906	\$0	\$192,005,906
97100 Extraordinary Maintenance	\$47,705	\$0	\$4,783,202		\$4,783,202
97200 Casualty Losses - Non-capitalized		\$0	\$0		\$0
97300 Housing Assistance Payments		\$1,637,645	\$139,771,061		\$139,771,061
97350 HAP Portability-In		\$0	\$1,327,506		\$1,327,506
97400 Depreciation Expense	\$55,479	\$42,250	\$75,558,908		\$75,558,908
97500 Fraud Losses		\$0	\$0		\$0
97600 Capital Outlays - Governmental Funds		\$0			
97700 Debt Principal Payment - Governmental Funds		\$0			
97800 Dwelling Units Rent Expense		\$0			
90000 Total Expenses	\$222,541	\$1,780,515	\$482,716,365	\$0	\$482,716,365
10010 Operating Transfer In	\$100,000	\$0	\$516,248,398	-\$516,207,191	\$39,207
10020 Operating transfer Out		\$0	-\$516,248,398	\$516,207,191	-\$39,207
10030 Operating Transfers from/to Primary Government		\$0	\$9,391,616	-\$9,391,616	\$0

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	2 State/Local	14.856 Lower Income Housing Assistance Program, Section 8 Moderate	Subtotal	ELIM	Total
10040 Operating Transfers from/to Component Unit		\$0	-\$9,391,616	\$9,391,616	\$0
10050 Proceeds from Notes, Loans and Bonds		\$0			
10060 Proceeds from Property Sales		\$0			
10070 Extraordinary Items, Net Gain/Loss		\$0	\$0		\$0
10080 Special Items (Net Gain/Loss)		\$0	\$0		\$0
10091 Inter Project Excess Cash Transfer In		\$0			
10092 Inter Project Excess Cash Transfer Out		\$0			
10093 Transfers between Program and Project - In		\$0	\$0	\$0	\$0
10094 Transfers between Project and Program - Out		\$0	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$100,000	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$188,385	\$88,721	-\$29,434,771	\$0	-\$29,434,771
11020 Required Annual Debt Principal Payments	\$0	\$0	\$15,207,058		\$15,207,058
11030 Beginning Equity	\$1,665,191	\$541,252	\$1,369,008,502		\$1,369,008,502
11040 Prior Period Adjustments, Equity Transfers and Correction		\$0	\$84,260		\$84,260
11050 Changes in Compensated Absence Balance		\$0			
11060 Changes in Contingent Liability Balance		\$0			
11070 Changes in Unrecognized Pension Transition Liability		\$0			
11080 Changes in Special Term/Severance Benefits Liability		\$0			
11090 Changes in Allowance for Doubtful Accounts - Dwelling		\$0			
11100 Changes in Allowance for Doubtful Accounts - Other		\$0			
11170 Administrative Fee Equity		\$0	\$1,154,266		\$1,154,266
11180 Housing Assistance Payments Equity		\$0	\$9,633,400		\$9,633,400
11190 Unit Months Available		2964	351140		351140
11210 Number of Unit Months Leased		2964	330767		330767

Philadelphia Housing Authority (PA002)
 PHILADELPHIA, PA
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 03/31/2015

	2 State/Local	14.856 Lower Income Housing Assistance Program, Section 8 Moderate	Subtotal	ELIM	Total
11270 Excess Cash		\$0	-\$10,433,547		-\$10,433,547
11610 Land Purchases		\$0	\$0		\$0
11620 Building Purchases		\$0	\$4,770,317		\$4,770,317
11630 Furniture & Equipment - Dwelling Purchases		\$0	\$0		\$0
11640 Furniture & Equipment - Administrative Purchases		\$0	\$0		\$0
11650 Leasehold Improvements Purchases		\$0	\$0		\$0
11660 Infrastructure Purchases		\$0	\$0		\$0
13510 CFFP Debt Service Payments		\$0	\$0		\$0
13901 Replacement Housing Factor Funds		\$0	\$3,139,481		\$3,139,481

HUD Supplementary Information

Philadelphia Housing Authority

Schedule of Actual Modernization Cost Certificate

Hope VI Grant

March 31, 2015

<u>Program/Grant</u>	<u>PA26URD0021104</u>
Original Funds Approved	\$ 17,059,932
Funds Disbursed	17,059,932
Funds Expended	<u>17,059,932</u>
Excess (Deficiency) of Advances Due to (from) HUD	<u>\$ -</u>

The Actual Modernization Cost Certificates are in agreement with the records of the
Philadelphia Housing Authority, Philadelphia, PA.

Other Supplementary Information

Philadelphia Housing Authority
Combining Statement of Net Position
March 31, 2016

	State and Local Grants	Section 8 Housing Choice Program	Section 8 Mainstream Program	Section 8 Modern Rehab Prg No. 1	Section 8 Modern Rehab Prg No. 2	Section 8 Modern Rehab Prg No. 3	Section 8 Modern Rehab Prg No. 4	Section 8 Modern Rehab Prg No. 5
Assets								
Current Assets								
Cash and cash equivalents	\$ 1,611,071	\$ 50,675	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash	-	9,633,400	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Receivables, net	29,342	1,278,356	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-
Due from other funds	490,868	-	266,791	130,620	553,836	481,370	31,663	11,991
Other assets	-	-	-	-	-	-	-	-
Total current assets	2,131,281	10,962,431	266,791	130,620	553,836	481,370	31,663	11,991
Noncurrent Assets								
Mortgage receivable	-	-	-	-	-	-	-	-
Restricted cash	-	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-	-	-
Capital assets, net of depreciation	362,952	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
Total noncurrent assets	362,952	-	-	-	-	-	-	-
Total assets	\$ 2,494,233	\$ 10,962,431	\$ 266,791	\$ 130,620	\$ 553,836	\$ 481,370	\$ 31,663	\$ 11,991
Liabilities and Net Position								
Current Liabilities								
Accounts payable	\$ -	\$ 715	\$ -	\$ 4	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	469	-	-	-	-	-	-	-
Current portion of long-term debt	-	-	-	-	-	-	-	-
Due to other government agencies	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Compensated absences	-	42,516	-	-	-	-	-	-
Trust and deposits	-	-	-	-	-	-	-	-
Unearned revenues and other current liabilities	640,188	5,850	-	434	109,353	46,525	-	-
Total current liabilities	640,657	49,081	-	438	109,353	46,525	-	-
Noncurrent liabilities								
Compensated absences	-	28,347	-	-	-	-	-	-
Bonds, notes and loans payable	-	-	-	-	-	-	-	-
Other liabilities	-	97,335	-	-	-	-	-	-
Total noncurrent liabilities	-	125,682	-	-	-	-	-	-
Total liabilities	640,657	174,763	-	438	109,353	46,525	-	-
Net Position								
Net investment in capital assets	362,952	-	-	-	-	-	-	-
Restricted for Section 8	-	9,633,400	-	-	-	-	-	-
Restricted for development	-	-	-	-	-	-	-	-
Unrestricted (deficit)	1,490,624	1,154,268	266,791	130,182	444,483	434,845	31,663	11,991
Total net position	1,853,576	10,787,668	266,791	130,182	444,483	434,845	31,663	11,991
Total liabilities and net position	\$ 2,494,233	\$ 10,962,431	\$ 266,791	\$ 130,620	\$ 553,836	\$ 481,370	\$ 31,663	\$ 11,991

Philadelphia Housing Authority
Combining Statement of Net Position (Continued)
March 31, 2016

	Section 8 Modern Rehab Prg No. 6	Section 8 Modern Rehab Prg No. 7	Section 8 Modern Rehab Prg No. 8	Section 8 Modern Rehab Prg No. 9	Section 8 Modern Rehab Prg No. 10	Section 8 Modern Rehab Prg No. 2	Section 8 Modern Rehab Prg Admin Fees	Section 8 Modern Rehab Prg	Section 8 Single Room Occupancy Program
Assets									
Current Assets									
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 1,078,869	\$ -	\$ -	\$ -	\$ -
Restricted cash	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-
Receivables, net	-	-	11,664	-	6	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-	-
Due from other funds	21,217	104,792	84,759	330,900	-	-	-	-	2,215,112
Other assets	-	-	-	-	-	-	-	-	-
Total current assets	21,217	104,792	96,423	330,900	1,078,875	-	-	-	2,215,112
Noncurrent Assets									
Mortgage receivable	-	-	-	-	-	-	-	-	-
Restricted cash	-	-	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-	-	-	-
Capital assets, net of depreciation	-	-	-	-	591,500	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Total noncurrent assets	-	-	-	-	591,500	-	-	-	-
Total assets	\$ 21,217	\$ 104,792	\$ 96,423	\$ 330,900	\$ 1,670,375	\$ -	\$ -	\$ -	\$ 2,215,112
Liabilities and Net Position									
Current Liabilities									
Accounts payable	\$ -	\$ -	\$ 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	8,378	-	-	-	-
Current portion of long-term debt	-	-	-	-	-	-	-	-	-
Due to other government agencies	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	2,493,482	-	-	-	-
Compensated absences	-	-	-	-	-	-	-	-	-
Trust and deposits	-	-	-	-	-	-	-	-	-
Unearned revenues and other current liabilities	-	8,611	-	136,420	-	-	-	-	816,022
Total current liabilities	-	8,611	7	136,420	2,501,860	-	-	-	816,022
Noncurrent liabilities									
Compensated absences	-	-	-	-	-	-	-	-	-
Bonds, notes and loans payable	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-
Total noncurrent liabilities	-	-	-	-	-	-	-	-	-
Total liabilities	-	8,611	7	136,420	2,501,860	-	-	-	816,022
Net Position									
Net investment in capital assets	-	-	-	-	591,500	-	-	-	-
Restricted for Section 8	-	-	-	-	-	-	-	-	-
Restricted for development	-	-	-	-	-	-	-	-	-
Unrestricted (deficit)	21,217	96,181	96,416	194,480	(1,422,985)	-	-	-	1,399,090
Total net position	21,217	96,181	96,416	194,480	(831,485)	-	-	-	1,399,090
Total liabilities and net position	\$ 21,217	\$ 104,792	\$ 96,423	\$ 330,900	\$ 1,670,375	\$ -	\$ -	\$ -	\$ 2,215,112

Philadelphia Housing Authority
Combining Statement of Net Position (Continued)
March 31, 2016

	Section 8 New Construction Programs	Congregate Housing Program	Resident Opportunity and Self-Sufficiency Program	Disaster Funding Program	Choice Neighborhood Program	Veterans Affairs Program	Modern Rehab Prg No. 3	ARRA Competitive Programs	Healthy Homes Program
Assets									
Current Assets									
Cash and cash equivalents	\$ -	\$ 14,161	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-
Receivables, net	-	31,249	56,561	-	167,890	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-	-
Due from other funds	22,872	-	-	95,807	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Total current assets	22,872	45,410	56,561	95,807	167,890	-	-	-	-
Noncurrent Assets									
Mortgage receivable	-	-	-	-	-	-	-	-	-
Restricted cash	-	-	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-	-	-	-
Capital assets, net of depreciation	-	-	-	-	700	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Total noncurrent assets	-	-	-	-	700	-	-	-	-
Total assets	\$ 22,872	\$ 45,410	\$ 56,561	\$ 95,807	\$ 168,590	\$ -	\$ -	\$ -	\$ -
Liabilities and Net Position									
Current Liabilities									
Accounts payable	\$ -	\$ 6,915	\$ -	\$ -	\$ 12,940	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-	-	-	-	-
Current portion of long-term debt	-	-	-	-	-	-	-	-	-
Due to other government agencies	-	-	-	-	-	-	-	-	-
Due to other funds	-	38,495	56,561	-	154,950	-	-	-	-
Compensated absences	-	-	-	-	-	-	-	-	-
Trust and deposits	-	-	-	-	-	-	-	-	-
Unearned revenues and other current liability	-	-	-	-	-	-	-	-	-
Total current liabilities	-	45,410	56,561	-	167,890	-	-	-	-
Noncurrent liabilities									
Compensated absences	-	-	-	-	-	-	-	-	-
Bonds, notes and loans payable	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-
Total noncurrent liabilities	-	-	-	-	-	-	-	-	-
Total liabilities	-	45,410	56,561	-	167,890	-	-	-	-
Net Position									
Net investment in capital assets	-	-	-	-	700	-	-	-	-
Restricted for Section 8	-	-	-	-	-	-	-	-	-
Restricted for development	-	-	-	-	-	-	-	-	-
Unrestricted (deficit)	22,872	-	-	95,807	-	-	-	-	-
Total net position	22,872	-	-	95,807	700	-	-	-	-
Total liabilities and net position	\$ 22,872	\$ 45,410	\$ 56,561	\$ 95,807	\$ 168,590	\$ -	\$ -	\$ -	\$ -

Philadelphia Housing Authority
Combining Statement of Net Position (Continued)
March 31, 2015

	Moving to Work Program	Project Totals	Other Business Activities	Long Term Notes Receivable	Debt Service Fund	General Purpose Bonds	Blended Component Units	Total PHA Programs
Assets								
Current Assets								
Cash and cash equivalents	\$ 1,008,369	\$ 13,953,574	\$ 2,851,743	\$ -	\$ 147,663	\$ 5,172	\$ 43,541,963	\$ 64,863,260
Restricted cash	10,793,391	799,191	24,289	-	-	-	116,904	21,367,205
Investments	52,516,901	1,806,934	-	-	-	-	-	54,323,835
Receivables, net	45,456,874	2,056,087	384,465	-	1	-	28,444,513	77,917,008
Due from other governments	-	-	-	-	-	-	-	-
Due from other funds	-	524,632	-	-	-	-	-	5,367,230
Other assets	-	1,493,373	-	-	-	-	62,969	1,556,342
Total current assets	110,375,535	20,633,791	3,260,497	-	147,664	5,172	72,165,379	225,394,860
Noncurrent Assets								
Mortgage receivable	-	-	-	376,645,932	-	-	-	376,645,932
Restricted cash	810	520	-	5,075,262	-	-	-	5,076,592
Restricted investments	-	-	-	-	-	-	3,007,276	3,007,276
Capital assets, net of depreciation	194,258,397	361,738,616	6,491,993	-	24,895,055	783,124	56,996	589,179,333
Other assets	-	-	88,011	-	-	-	-	88,011
Total noncurrent assets	194,259,207	361,739,136	6,580,004	381,721,194	24,895,055	783,124	3,064,272	973,997,144
Total assets	\$ 304,634,742	\$ 382,372,927	\$ 9,840,501	\$ 381,721,194	\$ 25,042,719	\$ 788,296	\$ 75,230,651	\$ 1,199,392,024
Liabilities and Net Position								
Current Liabilities								
Accounts payable	\$ 555,310	\$ 4,669,488	\$ 951,851	\$ -	\$ -	\$ -	\$ 18,513	\$ 6,215,743
Accrued liabilities	25,410,230	7,225,868	194,199	-	771,563	174,167	158,520	33,941,394
Current portion of long-term debt	-	-	-	-	4,815,000	-	-	4,815,000
Due to other government agencies	5,831	218,005	-	-	-	-	-	223,836
Due to other funds	1,409,040	524,632	714,698	-	(24,628)	-	-	5,367,230
Compensated absences	1,055,656	3,773,041	-	-	-	-	67,968	4,939,203
Trust and deposits	-	799,191	-	-	-	-	-	799,191
Unearned revenues and other current liabilities	5,999,320	(900,061)	489,285	-	-	-	3,882,104	11,173,151
Total current liabilities	34,435,367	16,249,284	2,350,033	-	5,561,935	174,167	4,125,125	67,474,748
Noncurrent liabilities								
Compensated absences	703,771	2,515,344	-	-	-	-	45,325	3,292,787
Bonds, notes and loans payable	-	-	-	-	35,154,390	11,000,000	-	46,154,390
Other liabilities	5,040,138	1,869,703	-	-	-	-	-	7,007,178
Total noncurrent liabilities	5,743,909	4,385,047	-	-	35,154,390	11,000,000	45,325	56,454,353
Total liabilities	40,179,296	20,634,311	2,350,033	-	40,716,325	11,174,167	4,170,450	123,929,101
Net Position								
Net investment in capital assets	194,258,397	361,738,616	6,491,993	-	(15,074,335)	(10,216,876)	56,996	538,209,943
Restricted for Section 8	-	-	-	-	-	-	-	9,633,400
Restricted for development	-	-	-	-	-	-	3,124,210	3,124,210
Unrestricted (deficit)	70,197,049	-	998,475	381,721,194	(599,271)	(168,995)	67,878,965	524,495,370
Total net position	264,455,446	361,738,616	7,490,468	381,721,194	(15,673,606)	(10,385,871)	71,060,201	1,075,462,923
Total liabilities and net position	\$ 304,634,742	\$ 382,372,927	\$ 9,840,501	\$ 381,721,194	\$ 25,042,719	\$ 788,296	\$ 75,230,651	\$ 1,199,392,024

Philadelphia Housing Authority
Combining Statement of Net Position (Continued)
March 31, 2016

	Reclassification	Elimination	Totals
Assets			
Current Assets			
Cash and cash equivalents	\$ -	\$ -	\$ 64,863,260
Restricted cash	-	-	21,367,205
Investments	-	-	54,323,835
Receivables, net	-	(24,430,936)	53,486,072
Due from other governments	-	-	-
Due from other funds	-	(5,367,230)	-
Other assets	-	-	1,556,342
Total current assets	-	(29,798,166)	195,596,714
Noncurrent Assets			
Mortgage receivable	-	-	376,645,932
Restricted cash	-	-	5,076,592
Restricted investments	-	-	3,007,276
Capital assets, net of depreciation	(10,000,000)	-	579,179,333
Other assets	10,000,000	-	10,088,011
Total noncurrent assets	-	-	973,997,144
Total assets	\$ -	\$ (29,798,166)	\$ 1,169,593,858
Liabilities and Net Position			
Current Liabilities			
Accounts payable	\$ -	\$ -	\$ 6,215,743
Accrued liabilities	-	(24,430,936)	9,510,458
Current portion of long-term debt	-	-	4,815,000
Due to other government agencies	-	-	223,836
Due to other funds	-	(5,367,230)	-
Compensated absences	-	-	4,939,203
Trust and deposits	-	-	799,191
Unearned revenues and other current liabilities	-	-	11,173,151
Total current liabilities	-	(29,798,166)	37,676,582
Noncurrent liabilities			
Compensated absences	-	-	3,292,787
Bonds, notes and loans payable	-	-	46,154,390
Other liabilities	-	-	7,007,176
Total noncurrent liabilities	-	-	56,454,353
Total liabilities	-	(29,798,166)	94,130,935
Net Position			
Net investment in capital assets	(10,000,000)	-	528,209,943
Restricted for Section 8	-	-	9,633,400
Restricted for development	-	-	3,124,210
Unrestricted (deficit)	10,000,000	-	534,495,370
Total net position	-	-	1,075,462,923
Total liabilities and net position	\$ -	\$ (29,798,166)	\$ 1,169,593,858

Philadelphia Housing Authority
Combining Statement of Revenues, Expenses and Changes in Net Position
March 31, 2015

	State and Local Grants	Section 8 Housing Choice Program	Section 8 Mainstream Program	Section 8 Modern Rehab Prg No. 1	Section 8 Modern Rehab Prg No. 2	Section 8 Modern Rehab Prg No. 3	Section 8 Modern Rehab Prg No. 4	Section 8 Modern Rehab Prg No. 5
Operating Revenue								
Total tenant revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating subsidies	289,681	3,667,380	505,128	371,927	516,892	478,166	-	-
Other income	21,243	1,509,458	-	-	-	-	-	-
Total operating revenue	310,924	5,176,838	505,128	371,927	516,892	478,166	-	-
Operating Expenses								
Administrative	61,422	694,206	11,789	11,219	18,868	15,807	-	-
Tenant services	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-
Maintenance	47,705	-	-	-	-	-	-	-
Protective services	5,757	-	-	-	-	-	-	-
General	52,178	1,332,935	667	112	189	159	-	-
Housing assistance programs	-	4,201,754	469,815	329,327	453,960	418,136	-	-
Depreciation and amortization	55,479	-	-	-	-	-	-	-
Total operating expenses	222,541	6,228,895	482,271	340,658	473,017	434,102	-	-
Operating Income (loss)	88,383	(1,052,057)	22,857	31,269	43,875	44,064	-	-
Nonoperating Revenue and (Expenses)								
Interest and investment earnings	2	-	-	-	-	-	-	-
Other revenue/charges	-	34,548	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-
Net nonoperating revenue	2	34,548	-	-	-	-	-	-
Income (loss) before capital contributions	88,385	(1,017,509)	22,857	31,269	43,875	44,064	-	-
Capital contributions								
HUD capital subsidies	-	-	-	-	-	-	-	-
Other nonoperating contributions	100,000	-	-	-	-	-	-	-
Partners contributions	-	-	-	-	-	-	-	-
	100,000	-	-	-	-	-	-	-
Change in net position	188,385	(1,017,509)	22,857	31,269	43,875	44,064	-	-
Net position, beginning								
As previously reported	1,665,191	11,805,175	243,934	98,913	400,608	390,781	31,663	11,991
Prior period adjustments and equity transfers	-	-	-	-	-	-	-	-
As restated	1,665,191	11,805,175	243,934	98,913	400,608	390,781	31,663	11,991
Net position, ending	\$ 1,853,576	\$ 10,787,666	\$ 266,791	\$ 130,182	\$ 444,483	\$ 434,845	\$ 31,663	\$ 11,991

Philadelphia Housing Authority
Combining Statement of Revenues, Expenses and Changes in Net Position (Continued)
March 31, 2015

	Section 8 Modern Rehab Prg No. 6	Section 8 Modern Rehab Prg No. 7	Section 8 Modern Rehab Prg No. 8	Section 8 Modern Rehab Prg No. 9	Section 8 Modern Rehab Prg No. 10	Section 8 Modern Rehab Prg Admin Fees	Total Section 8 Modern Rehab Prg	Section 8 Single Room Occupancy Program	Section 8 New Construction Programs
Operating Revenue									
Total tenant revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating subsidies	-	68,965	198,145	235,075	-	-	-	1,849,861	-
Other income	-	-	-	-	-	-	-	-	-
Total operating revenue	-	68,965	198,145	235,075	-	-	-	1,849,861	-
Operating Expenses									
Administrative	-	2,337	5,141	10,988	-	-	-	80,426	-
Tenant services	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-
Maintenance	-	-	-	-	-	-	-	-	-
Protective services	-	-	-	-	-	-	-	-	-
General	-	23	35,667	110	-	-	-	808	-
Housing assistance programs	-	66,335	176,545	193,342	-	-	-	1,369,835	-
Depreciation and amortization	-	-	-	-	42,250	-	-	-	-
Total operating expenses	-	68,695	217,353	204,440	42,250	-	-	1,451,069	-
Operating income (loss)	-	270	(19,208)	30,635	(42,250)	-	-	398,792	-
Nonoperating Revenue and (Expenses)									
Interest and investment earnings	-	-	-	-	66	-	-	-	-
Other revenue/charges	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Net nonoperating revenue	-	-	-	-	66	-	-	-	-
Income (loss) before capital contributions	-	270	(19,208)	30,635	(42,184)	-	-	398,792	-
Capital contributions									
HUD capital subsidies	-	-	-	-	-	-	-	-	-
Other nonoperating contributions	-	-	-	-	-	-	-	-	-
Partners contributions	-	-	-	-	-	-	-	-	-
Change in net position	-	270	(19,208)	30,635	(42,184)	-	-	398,792	-
Net position, beginning									
As previously reported	21,217	95,911	115,624	163,845	(789,301)	-	-	1,000,298	22,872
Prior period adjustments and equity trans	-	-	-	-	-	-	-	-	-
As restated	21,217	95,911	115,624	163,845	(789,301)	-	-	1,000,298	22,872
Net position, ending	\$21,217	\$96,181	\$ 96,416	\$ 194,480	\$ (831,485)	\$ -	\$ -	\$ 1,399,090	\$ 22,872

Philadelphia Housing Authority
Combining Statement of Revenues, Expenses and Changes in Net Position (Continued)
March 31, 2015

	SR Community	Congregate Housing Program	Summer Feeding Program	Resident Opportunity and Self-Sufficiency Program	Disaster Funding Program	Choice Neighborhood	Veterans Affairs Program	ARRA Competitive Programs	ARRA Formula Program	Healthy Homes Program
Operating Revenue										
Total tenant revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating subsidies	-	81,580	174,171	353,746	-	387,796	-	-	-	-
Other income	-	20,395	340,783	-	-	-	-	-	-	-
Total operating revenue	-	101,975	514,954	353,746	-	387,796	-	-	-	-
Operating Expenses										
Administrative	-	-	2,678	134,792	-	213,827	-	-	-	-
Tenant services	-	101,890	512,276	218,904	-	172,684	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-
Maintenance	-	-	-	-	-	(792)	-	-	-	-
Protective services	-	-	-	-	-	-	-	-	-	-
General	-	85	-	50	-	-	-	-	-	-
Housing assistance programs	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	92	-	-	-	-
Total operating expenses	-	101,975	514,954	353,746	-	385,811	-	-	-	-
Operating income (loss)	-	-	-	-	-	1,985	-	-	-	-
Nonoperating Revenue and (Expenses)										
Interest and investment earnings	-	-	-	-	-	-	-	-	-	-
Other revenue/charges	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Net nonoperating revenue	-	-	-	-	-	-	-	-	-	-
Income (loss) before capital contributions	-	-	-	-	-	1,985	-	-	-	-
Capital contributions										
HUD capital subsidies	-	-	-	-	-	-	-	-	-	-
Other nonoperating contributions	-	-	-	-	-	-	-	-	-	-
Partners contributions	-	-	-	-	-	-	-	-	-	-
Change in net position	-	-	-	-	-	1,985	-	-	-	-
Net position, beginning										
As previously reported	-	-	-	-	95,807	-	-	-	-	-
Prior period adjustments and equity tran.	-	-	-	-	-	(1,285)	-	-	-	-
As restated	-	-	-	-	95,807	(1,285)	-	-	-	-
Net position, ending	\$ -	\$ -	\$ -	\$ -	\$ 95,807	\$ 700	\$ -	\$ -	\$ -	\$ -

Philadelphia Housing Authority
Combining Statement of Revenues, Expenses and Changes in Net Position (Continued)
March 31, 2015

	Moving to Work Program	Project Total	Other Business Activities	Long-Term Notes Receivable	Debt Service Fund	General Purpose Bonds	Blended Component Units	Total PHA Programs
Operating Revenue								
Total tenant revenue	\$ -	\$ 24,395,579	\$ 28,582	\$ -	\$ -	\$ -	\$ -	\$ 24,424,161
Operating subsidies	330,135,918	-	-	-	-	-	-	330,314,431
Other income	306,969	38,841	838,899	-	-	-	1,441,256	4,517,844
Total operating revenue	330,442,887	24,434,420	867,481	-	-	-	1,441,256	366,256,436
Operating Expenses								
Administrative	34,567,652	32,783,035	78,074	-	-	-	1,040,726	69,732,987
Tenant services	848,134	906,511	-	-	-	-	226,847	3,017,046
Utilities	495,204	23,587,167	26,623	-	-	-	6,548	24,115,542
Maintenance	1,881,881	65,312,047	165,579	(150,716)	-	-	808,550	68,082,254
Protective services	1,010,589	10,551,721	-	-	-	-	-	11,568,067
General	(571,613)	27,938,347	4,871	-	-	-	1,941,340	30,735,928
Housing assistance programs	133,419,518	-	-	-	-	-	-	141,098,567
Depreciation and amortization	16,996,204	38,278,260	132,808	-	2,294,947	23,078	11,909	57,835,027
Total operating expenses	188,647,569	199,387,088	407,955	(150,716)	2,294,947	23,078	4,033,720	406,165,418
Operating income (loss)	141,795,318	(174,952,668)	459,526	150,716	(2,294,947)	(23,078)	(2,592,464)	(37,908,982)
Nonoperating Revenue and (Expenses)								
Interest and investment earnings	318	120,558	-	5,701,284	9	-	40,204	5,862,441
Other revenues/charges	(396,433)	518,377	-	-	-	-	-	156,492
Interest expense	-	-	-	-	(2,664,300)	(527,500)	-	(3,191,800)
Net nonoperating revenue	(396,115)	638,935	-	5,701,284	(2,664,291)	(527,500)	40,204	2,827,133
Income (loss) before capital contributions	141,399,203	(174,313,733)	459,526	5,852,000	(4,959,238)	(550,578)	(2,552,260)	(35,081,849)
Capital contributions								
HUD capital subsidies	13,348,530	-	-	-	-	-	-	13,348,530
Other nonoperating contributions	(174,097,552)	139,310,535	(241,286)	17,537,820	7,471,367	527,500	9,391,616	-
Partners contributions	-	-	-	-	-	-	-	-
	(160,749,022)	139,310,535	(241,286)	17,537,820	7,471,367	527,500	9,391,616	13,348,530
Change in net position	(19,349,819)	(35,003,198)	218,240	23,389,820	2,512,129	(23,078)	6,839,356	(21,733,319)
Net position, beginning								
As previously reported	283,803,980	396,741,814	7,272,228	358,331,374	(18,185,735)	(10,362,793)	64,136,585	1,097,111,982
Prior period adjustments and equity transfers	1,265	-	-	-	-	-	84,260	84,260
As restated	283,805,245	396,741,814	7,272,228	358,331,374	(18,185,735)	(10,362,793)	64,220,845	1,097,196,242
Net position, ending	\$ 264,455,446	\$ 361,738,616	\$ 7,490,468	\$ 381,721,194	\$ (15,673,606)	\$ (10,385,871)	\$ 71,060,201	\$ 1,075,462,923

Philadelphia Housing Authority
Component Units
Combining Statement of Net Position
March 31, 2016

	Neumann North	Raymond Rosen Assoc. t/a 8 Diamonds Townhouses	Ridge Avenue Housing	St. Anthony's Senior Residences	St. Ignatius Senior Housing I	St. Ignatius Senior Housing II	Southwark Plaza	Spring Garden Housing I
Assets								
Current Assets								
Cash	\$ 33,813	\$ 37,953	\$ 130,415	\$ 109,408	\$ 580,981	\$ 486,909	\$ 85,562	\$ 12,326
Restricted cash	377,064	1,583,312	434,279	166,494	464,348	1,118,520	445,711	82,638
Investments	-	-	-	-	-	-	-	-
Receivables, net	4	44,544	2,793	2,417	3,952	535	22,852	16,119
Due from other governments	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Other assets	5,430	22,015	39,225	7,790	8,709	7,153	41,954	18,287
Total current assets	416,311	1,687,624	606,712	286,109	1,057,990	1,613,117	596,078	129,370
Noncurrent Assets								
Mortgage receivable	-	-	-	-	-	-	-	-
Restricted Cash	-	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-	-	-
Capital assets, net of depreciation	7,776,633	12,387,127	1,690,996	2,626,993	5,541,251	6,670,609	33,762,872	9,274,444
Other assets	168	38,225	254,018	1,418	56,620	9,178	9,695	8,503
Total noncurrent assets	7,776,821	12,425,352	1,945,014	2,628,411	5,597,871	6,679,787	33,772,567	9,282,947
Total assets	\$ 8,193,132	\$ 14,113,176	\$ 2,551,726	\$ 2,914,520	\$ 6,655,861	\$ 8,292,904	\$ 34,368,646	\$ 9,412,317
Liabilities and Net Position								
Current Liabilities								
Accounts payable	\$ 96,356	\$ 318,561	\$ 56,171	\$ 2,430	\$ 61,058	\$ 42,427	\$ 442,048	\$ 95,587
Accrued liabilities	46,667	9,038	-	20,255	53,527	42,395	744,592	50,811
Current portion of long-term debt	358,440	-	-	-	-	-	-	-
Due to other government agencies	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-	-	-
Trust and deposits	32,550	78,865	38,267	13,680	23,426	5,346	61,396	17,516
Unearned revenues and other current liabilities	30,408	18,354	1,512,651	2,306	2	314	36,487	584
Total current liabilities	564,421	424,818	1,607,089	38,671	138,013	90,482	1,284,523	164,498
Noncurrent liabilities								
Compensated absences	-	-	-	-	-	-	-	-
Bonds, notes and loans payable	3,905,553	15,968,970	18,389,277	1,650,000	2,484,422	1,150,000	38,882,801	7,046,317
Other liabilities	1,507,683	1,053,800	747,830	189,736	832,029	404,916	-	5,743,230
Total noncurrent liabilities	5,413,236	17,022,650	19,137,107	1,839,736	3,316,451	1,554,916	38,882,801	12,789,547
Total liabilities	5,977,657	17,447,668	20,724,196	1,878,407	3,454,464	1,645,398	39,967,324	12,954,045
Net Position								
Net investment in capital assets	3,512,640	(3,581,843)	(16,678,281)	978,993	3,056,829	5,520,609	(4,919,929)	2,228,127
Restricted	-	-	-	-	-	-	-	-
Unrestricted (deficit)	(1,297,165)	247,351	(1,494,189)	59,120	144,568	1,126,897	(678,749)	(5,769,855)
Total net position	2,215,475	(3,334,492)	(18,172,470)	1,038,113	3,201,397	6,647,506	(5,598,678)	(3,541,728)
Total liabilities and net position	\$ 8,193,132	\$ 14,113,176	\$ 2,551,726	\$ 2,914,520	\$ 6,655,861	\$ 8,292,904	\$ 34,368,646	\$ 9,412,317

Philadelphia Housing Authority
Component Units
Combining Statement of Net Position (Continued)
March 31, 2016

	Spring Garden Historic	Uni-Penn Housing Partnership I	Uni-Penn Housing Partnership II	Cambridge Plaza I	Cambridge Plaza II	Cambridge Plaza III	Germantown House	Lucien E. Blackwell Homes Phase II
Assets								
Current Assets								
Cash	\$ 252,630	\$ 37,455	\$ 16,572	\$ 80,638	\$ 36,553	\$ 131,815	\$ 240,637	\$ 264,724
Restricted cash	826,708	81,466	233,432	271,451	581,453	540,304	1,325,363	937,597
Investments	-	-	-	-	-	-	-	-
Receivables, net	8,568	2,962	31,576	30,570	8,866	41,085	156,002	93,463
Due from other governments	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Other assets	8,403	18,134	13,958	35,121	24,578	13,511	69,301	9,109
Total current assets	1,096,309	140,037	295,538	417,780	651,450	726,715	1,791,323	1,304,893
Noncurrent Assets								
Mortgage receivable	-	-	-	-	-	-	-	-
Restricted cash	-	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-	-	-
Capital assets, net of depreciation	14,976,396	140,749	442,733	4,796,265	6,181,085	6,301,172	14,984,174	12,496,794
Other assets	87,369	6,502	6,337	22,656	40,791	22,820	49,551	40,991
Total noncurrent assets	15,063,765	147,251	449,070	4,818,941	6,221,876	6,323,992	15,033,725	12,537,785
Total assets	\$ 16,160,074	\$ 287,288	\$ 744,608	\$ 5,236,721	\$ 6,873,326	\$ 7,050,707	\$ 16,825,048	\$ 13,842,678
Liabilities and Net Position								
Current Liabilities								
Accounts payable	\$ 296,117	\$ 37,336	\$ 98,137	\$ 19,988	\$ 60,434	\$ -	\$ -	\$ -
Accrued liabilities	33,548	-	-	79,729	38,771	88,725	198,109	74,410
Current portion of long-term debt	-	-	-	-	-	-	-	-
Due to other government agencies	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-	-	-
Trust and deposits	31,003	10,976	10,934	4,119	4,554	4,123	14,005	6,336
Unearned revenues and other current liabilities	6,915	1,432	647,057	4,310	3,288	3,635	-	3,934
Total current liabilities	367,583	49,744	766,128	106,146	107,047	96,483	212,114	84,680
Noncurrent liabilities								
Compensated absences	-	-	-	-	-	-	-	-
Bonds, notes and loans payable	8,842,425	2,459,439	3,213,383	2,579,029	3,593,093	3,041,325	8,187,912	4,201,075
Other liabilities	1,407,208	2,063,231	2,626,852	1,783,549	1,974,830	1,486,795	1,938,438	1,467,996
Total noncurrent liabilities	10,249,633	4,522,670	5,840,235	4,362,578	5,567,923	4,528,120	10,126,350	5,669,071
Total liabilities	10,617,216	4,592,414	6,596,363	4,470,724	5,674,970	4,624,603	10,338,464	5,753,751
Net Position								
Net investment in capital assets	6,133,971	(2,318,690)	(2,770,650)	2,217,256	2,567,962	3,259,847	6,796,262	8,295,719
Restricted	-	-	-	-	-	-	-	-
Unrestricted (deficit)	(591,113)	(1,986,436)	(3,081,105)	(1,451,259)	(1,389,636)	(833,743)	(309,878)	(206,792)
Total net position	5,542,858	(4,305,126)	(5,851,755)	765,997	1,198,356	2,426,104	6,486,384	8,088,927
Total liabilities and net position	\$ 16,160,074	\$ 287,288	\$ 744,608	\$ 5,236,721	\$ 6,873,326	\$ 7,050,707	\$ 16,825,048	\$ 13,842,678

Philadelphia Housing Authority
Component Units
Combining Statement of Net Position (Continued)
March 31, 2015

	Lucien E. Blackwell Homes Phase III	Ludlow Scattered	Mantua I	Mantua II	Marshall Shepard	Mill Creek Phase I	Mt. Olivet	Nellie Reynolds
Assets								
Current Assets								
Cash	\$ 102,180	\$ 20,915	\$ 1,310,515	\$ 100,529	\$ 154,810	\$ 199,401	\$ 231,812	\$ 67,442
Restricted cash	527,599	878,302	743,844	779,314	832,811	1,041,810	1,883,986	589,658
Investments	-	-	-	-	-	-	-	-
Receivables, net	148,247	77,066	114,660	6,620	80,593	77,221	148,532	138,323
Due from other governments	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Other assets	9,116	45,422	1,929	17,968	12,094	9,134	-	68,532
Total current assets	787,142	1,021,705	2,170,948	904,632	1,081,078	1,327,572	2,262,330	863,955
Noncurrent Assets								
Mortgage receivable	-	-	-	-	-	-	-	-
Restricted cash	-	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-	-	-
Capital assets, net of depreciation	10,747,899	19,336,903	14,951,496	13,642,198	18,692,093	12,478,742	10,897,090	15,248,766
Other assets	83,751	45,181	95,575	135,162	414,241	29,650	161,182	27,502
Total noncurrent assets	10,831,650	19,382,084	15,047,071	13,777,360	17,106,334	12,508,392	11,058,272	15,276,268
Total assets	\$ 11,618,792	\$ 20,403,789	\$ 17,218,021	\$ 14,681,992	\$ 18,187,412	\$ 13,833,964	\$ 13,320,612	\$ 16,140,223
Liabilities and Net Position								
Current Liabilities								
Accounts payable	\$ -	\$ 12,500	\$ 6,696	\$ 7,623	\$ 18,383	\$ 11,857	\$ 38,359	\$ 31,106
Accrued liabilities	143,072	57,091	89,777	37,697	52,633	229,584	327,622	126,331
Current portion of long-term debt	-	-	-	-	-	-	-	-
Due to other government agencies	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-	-	-
Trust and deposits	4,257	7,562	4,653	5,049	7,029	8,910	15,939	6,138
Unearned revenues and other current liabilities	1,371	7,166	1,027	15,751	3,259	2,803	9,754	3,245
Total current liabilities	148,700	84,319	102,153	66,120	81,304	253,154	391,674	166,820
Noncurrent liabilities								
Compensated absences	-	-	-	-	-	-	-	-
Bonds, notes and loans payable	2,944,341	11,545,499	8,399,180	11,672,707	14,395,705	6,103,752	9,740,166	2,848,291
Other liabilities	989,059	2,740,611	2,230,689	613,384	2,911,615	3,078,870	3,736,822	889,112
Total noncurrent liabilities	3,933,400	14,286,110	10,629,869	12,286,091	17,307,320	9,182,622	13,476,988	3,737,403
Total liabilities	4,082,100	14,370,429	10,732,022	12,352,211	17,388,624	9,435,776	13,868,662	3,904,223
Net Position								
Net investment in capital assets	7,803,558	7,791,404	6,552,318	1,969,491	2,296,388	6,372,990	1,156,924	12,400,475
Restricted	-	-	-	-	-	-	-	-
Unrestricted (deficit)	(268,866)	(1,758,064)	(66,319)	360,290	(1,497,600)	(1,974,802)	(1,704,974)	(164,475)
Total net position	7,534,692	6,033,340	6,485,999	2,329,781	798,788	4,398,188	(548,050)	12,235,999
Total liabilities and net position	\$ 11,618,792	\$ 20,403,789	\$ 17,218,021	\$ 14,681,992	\$ 18,187,412	\$ 13,833,964	\$ 13,320,612	\$ 16,140,223

Philadelphia Housing Authority
Component Units
Combining Statement of Net Position (Continued)
March 31, 2015

	Norris Apartments LP	Paschall I	Paschall II	Richard Allen Phase II	Suffolk Manor	Tasker I	Tasker II	Uni-Penn Housing /a MLK Plaza IV
Assets								
Current Assets								
Cash	\$ 26,751	\$ 17,175	\$ 454,297	\$ 147,933	\$ 512,177	\$ 178,270	\$ 361,415	\$ 122,188
Restricted cash	472,615	538,973	510,051	1,604,374	401,958	1,818,886	799,791	414,360
Investments	-	-	-	-	-	-	-	-
Receivables, net	60,354	58,490	34,364	38,333	184,502	369,376	222,356	64,944
Due from other governments	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Other assets	12,642	34,387	47,268	22,938	44,206	10,509	107,549	22,169
Total current assets	572,562	649,025	1,045,980	1,813,578	1,142,843	2,377,041	1,511,113	623,661
Noncurrent Assets								
Mortgage receivable	-	-	-	-	-	-	-	-
Restricted cash	-	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-	-	-
Capital assets, net of depreciation	19,044,692	17,044,844	17,064,317	22,470,468	17,279,244	32,277,109	22,972,990	6,872,960
Other assets	93,552	86,626	44,760	41,500	14,615	77,488	52,517	21,314
Total noncurrent assets	19,138,244	17,131,670	17,109,077	22,511,968	17,293,859	32,354,597	23,025,507	6,894,274
Total assets	\$ 19,710,806	\$ 17,780,695	\$ 18,155,057	\$ 24,325,546	\$ 18,436,702	\$ 34,731,638	\$ 24,536,620	\$ 7,517,935
Liabilities and Net Position								
Current Liabilities								
Accounts payable	\$ 1,963	\$ 17,004	\$ 23,124	\$ 40,183	\$ 30,108	\$ 88,220	\$ 33,909	\$ 11,879
Accrued liabilities	56,876	33,019	32,089	76,540	228,233	211,894	90,329	33,511
Current portion of long-term debt	-	-	-	-	-	-	-	-
Due to other government agencies	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-	-	-
Trust and deposits	4,851	4,950	4,851	18,862	17,958	25,763	18,455	4,059
Unearned revenues and other current liabilities	12,238	146,953	150,322	9,187	-	7,106	4,517	1,146
Total current liabilities	75,928	201,926	210,386	144,772	276,299	332,983	147,210	50,595
Noncurrent Liabilities								
Compensated absences	-	-	-	-	-	-	-	-
Bonds, notes and loans payable	19,334,477	16,601,757	18,108,552	22,190,978	10,453,027	32,385,000	20,990,000	3,351,430
Other liabilities	2,220,527	2,314,390	2,523,020	499,308	6,130,153	542,458	446,322	1,475,666
Total noncurrent liabilities	21,555,004	19,116,147	20,631,572	22,690,286	16,583,180	32,927,458	21,436,322	4,827,096
Total liabilities	21,630,932	19,318,073	20,841,968	22,835,058	16,859,479	33,260,441	21,583,532	4,877,691
Net Position								
Net investment in capital assets	(289,785)	243,087	(1,044,235)	279,490	6,826,217	(107,891)	1,982,990	3,521,530
Restricted	-	-	-	-	-	-	-	-
Unrestricted (deficit)	(1,630,341)	(1,760,465)	(1,542,666)	1,210,998	(5,248,994)	1,579,088	970,098	(861,286)
Total net position	(1,920,126)	(1,517,378)	(2,586,901)	1,490,488	1,577,223	1,471,197	2,953,088	2,660,244
Total liabilities and net position	\$ 19,710,806	\$ 17,780,695	\$ 18,155,057	\$ 24,325,546	\$ 18,436,702	\$ 34,731,638	\$ 24,536,620	\$ 7,517,935

Philadelphia Housing Authority
Component Units
Combining Statement of Net Position (Continued)
March 31, 2015

	Wernock I	Wernock II	Gordon Street	Oakdale Street	Queen Lane Apartments, LP	Total Discrete Units
Assets						
Current Assets						
Cash	\$ 38,052	\$ 55,889	\$ -	\$ 59,361	\$ 171,895	\$ 6,891,398
Restricted cash	728,715	468,932	-	-	323,362	24,827,707
Investments	-	-	-	-	-	-
Receivables, net	73,566	97,460	-	-	213	2,459,750
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Other assets	39,571	37,507	-	-	-	886,390
Total current assets	879,904	857,788	-	59,361	495,470	35,065,245
Noncurrent Assets						
Mortgage receivable	-	-	-	-	-	-
Restricted cash	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-
Capital assets, net of depreciation	14,941,804	13,125,000	480,410	1,500,034	1,497,589	440,614,963
Other assets	61,139	49,639	-	-	-	2,190,446
Total noncurrent assets	15,002,943	13,174,639	480,410	1,500,034	1,497,589	442,805,409
Total assets	\$ 15,882,847	\$ 13,832,427	\$ 480,410	\$ 1,559,395	\$ 1,993,059	\$ 477,870,654
Liabilities and Net Position						
Current Liabilities						
Accounts payable	\$ 29,999	\$ 20,104	\$ -	\$ -	\$ -	\$ 2,049,667
Accrued liabilities	23,495	90,021	100,970	966,626	-	4,487,967
Current portion of long-term debt	-	-	-	-	-	358,440
Due to other government agencies	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-
Trust and deposits	4,851	4,455	-	-	-	525,688
Unearned revenues and other current liabilities	1,978	6,416	-	-	-	2,855,916
Total current liabilities	60,323	120,996	100,970	966,626	-	10,077,698
Noncurrent liabilities						
Compensated absences	-	-	-	-	-	-
Bonds, notes and loans payable	7,842,724	7,254,139	377,811	587,462	1,133,855	353,835,874
Other liabilities	945,441	2,494,481	1,629	5,307	473,413	62,510,480
Total noncurrent liabilities	8,788,165	9,748,620	379,440	592,769	1,607,268	416,346,354
Total liabilities	8,848,488	9,869,616	480,410	1,559,395	1,607,268	426,424,052
Net Position						
Net investment in capital assets	7,099,080	5,870,861	102,599	912,572	363,734	88,420,649
Restricted	-	-	-	-	-	-
Unrestricted (deficit)	(64,721)	(1,908,050)	(102,599)	(912,572)	22,057	(34,974,047)
Total net position	7,034,359	3,962,811	-	-	385,791	51,446,602
Total liabilities and net position	\$ 15,882,847	\$ 13,832,427	\$ 480,410	\$ 1,559,395	\$ 1,993,059	\$ 477,870,654

Philadelphia Housing Authority
Component Units
Combining Statement of Revenues, Expenses and Changes in Net Position
March 31, 2018

	Neumann North	Raymond Rosen Assoc. t/a 8 Diamonds Townhouses	Ridge Avenue Housing	St. Anthony's Senior Residences	St. Ignatius Senior Housing I	St. Ignatius Senior Housing II	Southwark Plaza	Spring Garden Housing I
Operating Revenue								
Total tenant revenue	\$ 642,330	\$ 482,355	\$ 950,831	\$ 333,575	\$ 554,161	\$ 454,613	\$ 876,265	\$ 650,383
Operating subsidies	-	-	-	-	-	-	-	-
Other income	20,965	661,568	10,573	5,394	16,460	6,988	2,136,975	1,496
Total operating revenue	<u>663,295</u>	<u>1,143,923</u>	<u>961,404</u>	<u>338,969</u>	<u>570,621</u>	<u>461,601</u>	<u>3,013,240</u>	<u>651,878</u>
Operating Expenses								
Administrative	158,440	317,152	340,189	132,712	207,529	86,555	990,815	207,712
Tenant services	-	-	-	-	-	-	-	-
Utilities	212,379	213,629	111,747	37,085	117,961	80,005	580,223	90,895
Maintenance	200,275	470,740	375,692	107,563	90,074	75,761	1,306,632	250,692
Protective services	-	-	-	-	-	-	-	-
General	96,838	185,884	121,980	43,721	88,736	65,033	484,046	173,825
Housing assistance programs	-	-	-	-	-	-	-	-
Depreciation and amortization	264,420	912,232	83,145	224,216	238,868	205,105	1,465,734	343,229
Total operating expenses	<u>932,352</u>	<u>2,099,637</u>	<u>1,032,753</u>	<u>545,297</u>	<u>743,168</u>	<u>512,459</u>	<u>4,827,450</u>	<u>1,066,353</u>
Operating income (loss)	<u>(269,057)</u>	<u>(955,714)</u>	<u>(71,349)</u>	<u>(206,328)</u>	<u>(172,547)</u>	<u>(50,858)</u>	<u>(1,814,210)</u>	<u>(414,475)</u>
Nonoperating Revenue and (Expenses)								
Interest and investment earnings	1,514	2,957	3	304	3,309	-	2,362	41
Special items	-	-	-	-	-	-	-	-
Interest expense	(152,488)	(79,845)	(18,389)	(17,245)	(85,662)	(64,717)	-	(624,280)
Net nonoperating revenue	<u>(150,974)</u>	<u>(76,888)</u>	<u>(18,386)</u>	<u>(16,941)</u>	<u>(82,353)</u>	<u>(64,717)</u>	<u>2,362</u>	<u>(624,239)</u>
Income (loss) before capital contributions	<u>(420,031)</u>	<u>(1,032,602)</u>	<u>(89,715)</u>	<u>(223,269)</u>	<u>(254,900)</u>	<u>(115,575)</u>	<u>(1,811,848)</u>	<u>(1,038,714)</u>
Capital contributions								
HUD capital subsidies	-	-	-	-	-	-	-	-
Other nonoperating contributions	-	-	-	-	-	-	-	-
Partner distributions	-	-	-	(3,000)	-	-	-	-
Partners contributions	-	605,000	-	-	-	-	-	-
	<u>-</u>	<u>605,000</u>	<u>-</u>	<u>(3,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	<u>(420,031)</u>	<u>(427,602)</u>	<u>(89,715)</u>	<u>(226,269)</u>	<u>(254,900)</u>	<u>(115,575)</u>	<u>(1,811,848)</u>	<u>(1,038,714)</u>
Net position, beginning								
As previously reported	2,635,506	(2,906,890)	(18,082,755)	1,262,382	3,456,297	6,763,081	(3,786,830)	(2,503,014)
Prior period adjustments	-	-	-	-	-	-	-	-
As restated	<u>2,635,506</u>	<u>(2,906,890)</u>	<u>(18,082,755)</u>	<u>1,262,382</u>	<u>3,456,297</u>	<u>6,763,081</u>	<u>(3,786,830)</u>	<u>(2,503,014)</u>
Net position, ending	<u>\$ 2,215,475</u>	<u>\$ (3,334,492)</u>	<u>\$ (18,172,470)</u>	<u>\$ 1,036,113</u>	<u>\$ 3,201,397</u>	<u>\$ 6,647,506</u>	<u>\$ (5,598,678)</u>	<u>\$ (3,541,728)</u>

Philadelphia Housing Authority
Component Units
Combining Statement of Revenues, Expenses and Changes in Net Position (Continued)
March 31, 2015

	Spring Garden Historic	Uni-Penn Housing Partnership I	Uni-Penn Housing Partnership II	Cambridge Plaza I	Cambridge Plaza II	Cambridge Plaza III	Germantown House	Lucien E. Blackwell Homes Phase II
Operating Revenue								
Total tenant revenue	\$ 465,697	\$ 376,666	\$ 314,878	\$ 403,420	\$ 444,006	\$ 306,222	\$ 1,307,281	\$ 690,729
Operating subsidies	-	-	-	-	-	-	-	-
Other income	5,106	2,578	19,337	612	6,710	1,165	9,382	6,865
Total operating revenue	470,803	379,244	334,215	404,032	450,716	307,387	1,316,663	697,594
Operating Expenses								
Administrative	176,030	148,277	105,626	109,914	145,099	106,033	457,995	134,187
Tenant services	-	-	-	-	-	-	-	-
Utilities	85,541	29,377	56,663	45,161	62,989	46,897	269,122	72,129
Maintenance	143,451	182,154	168,255	179,475	178,490	152,459	455,797	386,652
Protective services	-	-	-	-	-	-	-	-
General	83,637	49,281	46,997	51,228	43,129	42,149	68,582	85,701
Housing assistance programs	-	-	-	-	-	-	-	-
Depreciation and amortization	501,801	6,501	15,600	209,405	261,740	244,699	481,209	533,166
Total operating expenses	990,460	415,590	395,141	595,183	691,447	592,237	1,732,705	1,211,835
Operating income (loss)	(519,657)	(36,346)	(60,926)	(191,151)	(240,731)	(224,850)	(416,042)	(514,241)
Nonoperating Revenue and (Expenses)								
Interest and investment earnings	-	-	948	50	55	106	221	228
Special items	-	-	-	-	-	-	-	-
Interest expense	(102,000)	(169,122)	(130,509)	(140,815)	(187,919)	(159,061)	(176,609)	(151,290)
Net nonoperating revenue	(102,000)	(169,122)	(129,561)	(140,765)	(187,864)	(158,955)	(176,388)	(151,062)
Income (loss) before capital contributions	(621,657)	(205,468)	(188,487)	(331,916)	(428,595)	(383,805)	(592,430)	(665,303)
Capital contributions								
HUD capital subsidies	-	-	-	-	-	-	-	-
Other nonoperating contributions	-	-	-	-	-	-	-	-
Partner distributions	-	-	-	-	-	-	-	-
Partners contributions	-	152,987	-	30,834	-	-	-	-
	-	152,987	-	30,834	-	-	-	-
Change in net position	(621,657)	(52,481)	(188,487)	(301,082)	(428,595)	(383,805)	(592,430)	(665,303)
Net position, beginning								
As previously reported	6,164,515	(4,252,645)	(5,663,268)	1,067,079	1,626,951	2,809,909	7,079,014	8,754,230
Prior period adjustments	-	-	-	-	-	-	-	-
As restated	6,164,515	(4,252,645)	(5,663,268)	1,067,079	1,626,951	2,809,909	7,079,014	8,754,230
Net position, ending	\$ 5,542,858	\$ (4,305,126)	\$ (5,851,755)	\$ 765,997	\$ 1,198,356	\$ 2,426,104	\$ 6,486,584	\$ 8,088,927

Philadelphia Housing Authority
Component Units
Combining Statement of Revenues, Expenses and Changes in Net Position (Continued)
March 31, 2015

	Lucien E. Blakowell Homes Phase III	Ludlow Scattered	Mantua I	Mantua II	Marshall Shepard	Mill Creek Phase I	Mt. Olivet	Nellie Reynolds
Operating Revenue								
Total tenant revenue	\$ 595,728	\$ 635,982	\$ 568,269	\$ 313,040	\$ 648,998	\$ 728,887	\$ 1,735,105	\$ 770,718
Operating subsidies	-	-	-	-	-	-	-	-
Other income	3,501	4,566	4,032	2,806	22,756	51,681	6,129	1,170
Total operating revenue	<u>599,229</u>	<u>640,548</u>	<u>592,301</u>	<u>315,846</u>	<u>671,754</u>	<u>780,568</u>	<u>1,741,234</u>	<u>771,888</u>
Operating Expenses								
Administrative	180,107	244,327	265,963	86,911	257,991	278,295	532,732	223,167
Tenant services	-	-	-	-	-	-	-	-
Utilities	46,593	70,275	51,652	65,150	71,899	90,328	324,435	162,985
Maintenance	269,473	239,036	247,569	81,973	239,687	244,306	726,467	270,538
Protective services	-	-	-	-	-	-	-	-
General	57,573	51,982	49,093	119,007	64,604	125,966	92,891	93,297
Housing assistance programs	-	-	-	-	-	-	-	-
Depreciation and amortization	371,994	616,229	573,045	534,701	666,586	505,481	385,667	454,981
Total operating expenses	<u>925,740</u>	<u>1,221,849</u>	<u>1,187,322</u>	<u>887,742</u>	<u>1,300,767</u>	<u>1,244,376</u>	<u>2,062,192</u>	<u>1,204,968</u>
Operating income (loss)	<u>(326,511)</u>	<u>(581,301)</u>	<u>(595,021)</u>	<u>(571,896)</u>	<u>(629,013)</u>	<u>(463,808)</u>	<u>(320,958)</u>	<u>(433,080)</u>
Nonoperating Revenue and (Expenses)								
Interest and investment earnings	107	86	1,152	1,497	128	142	182	90
Special items	-	-	-	-	-	-	-	-
Interest expense	(139,782)	(345,167)	(207,355)	-	(431,871)	(284,436)	(332,749)	(146,687)
Net nonoperating revenue	<u>(139,675)</u>	<u>(345,081)</u>	<u>(206,203)</u>	<u>1,497</u>	<u>(431,743)</u>	<u>(284,294)</u>	<u>(332,567)</u>	<u>(146,597)</u>
Income (loss) before capital contributions	<u>(466,186)</u>	<u>(926,382)</u>	<u>(801,224)</u>	<u>(570,399)</u>	<u>(1,060,756)</u>	<u>(748,102)</u>	<u>(653,525)</u>	<u>(579,677)</u>
Capital contributions								
HUD capital subsidies	-	-	-	-	-	-	-	-
Other nonoperating contributions	-	-	-	-	-	-	-	-
Partner distributions	-	-	-	-	-	-	(119)	-
Partners contributions	-	-	8,986,952	4,269,929	-	-	-	-
	<u>-</u>	<u>-</u>	<u>8,986,952</u>	<u>4,269,929</u>	<u>-</u>	<u>-</u>	<u>(119)</u>	<u>-</u>
Change in net position	<u>(466,186)</u>	<u>(926,382)</u>	<u>8,185,728</u>	<u>3,699,530</u>	<u>(1,060,756)</u>	<u>(748,102)</u>	<u>(653,644)</u>	<u>(579,677)</u>
Net position, beginning								
As previously reported	8,002,878	6,959,722	(1,699,729)	(1,369,749)	1,859,544	5,146,290	105,594	12,815,677
Prior period adjustments	-	-	-	-	-	-	-	-
As restated	<u>8,002,878</u>	<u>6,959,722</u>	<u>(1,699,729)</u>	<u>(1,369,749)</u>	<u>1,859,544</u>	<u>5,146,290</u>	<u>105,594</u>	<u>12,815,677</u>
Net position, ending	<u>\$ 7,536,692</u>	<u>\$ 6,033,340</u>	<u>\$ 6,485,999</u>	<u>\$ 2,329,761</u>	<u>\$ 798,788</u>	<u>\$ 4,398,188</u>	<u>\$ (548,050)</u>	<u>\$ 12,236,000</u>

Philadelphia Housing Authority
Component Units
Combining Statement of Revenues, Expenses and Changes in Net Position (Continued)
March 31, 2016

	Norris Apartments LP	Paschall I	Paschall II	Richard Allen Phase III	Suffolk Manor	Tasker I	Tasker II	Uni-Penn Housing I/a MLK Plaza IV
Operating Revenue								
Total tenant revenue	\$ 451,360	\$ 391,780	\$ 346,106	\$ 1,259,985	\$ 1,363,003	\$ 2,255,674	\$ 1,429,675	\$ 322,994
Operating subsidies	-	-	-	-	-	-	-	-
Other income	3,273	3,612	7,143	7,376	9,575	19,071	24,144	3,586
Total operating revenue	454,633	395,392	353,249	1,267,361	1,372,578	2,274,745	1,453,819	326,580
Operating Expenses								
Administrative	176,115	172,191	151,817	484,196	475,508	333,157	256,739	68,399
Tenant services	-	-	-	-	-	-	-	-
Utilities	116,309	58,263	42,336	152,387	250,968	410,848	209,865	52,712
Maintenance	81,055	79,114	79,920	466,720	515,029	1,239,162	761,661	146,050
Protective services	-	-	-	-	-	-	-	-
General	82,816	47,191	46,338	91,434	74,856	163,505	127,060	38,376
Housing assistance programs	-	-	-	-	-	-	-	-
Depreciation and amortization	646,830	688,057	723,314	814,485	601,199	1,776,215	1,176,268	262,742
Total operating expenses	1,103,125	1,044,816	1,043,727	2,009,222	1,917,580	3,922,687	2,531,593	568,279
Operating income (loss)	(648,492)	(649,424)	(690,478)	(741,859)	(544,982)	(1,648,142)	(1,077,774)	(241,699)
Nonoperating Revenue and (Expenses)								
Interest and investment earnings	79	43	260	185	328	214	263	105
Special items	-	-	-	-	-	-	-	-
Interest expense	(242,175)	(213,148)	(293,967)	(22,191)	(500,292)	(32,385)	(20,990)	(151,486)
Net nonoperating revenue	(242,096)	(213,105)	(293,707)	(22,006)	(499,964)	(32,171)	(20,727)	(151,381)
Income (loss) before capital contributions	(890,588)	(862,529)	(984,185)	(763,865)	(1,044,946)	(1,680,313)	(1,098,501)	(393,080)
Capital contributions								
HUD capital subsidies	-	-	-	-	-	-	-	-
Other nonoperating contributions	-	-	-	-	-	-	-	-
Partner distributions	-	-	-	-	-	(1,696)	(1,472)	-
Partners contributions	433,755	471,836	252,268	-	-	-	-	-
	433,755	471,836	252,268	-	-	(1,696)	(1,472)	-
Change in net position	(456,833)	(390,693)	(731,917)	(763,865)	(1,044,946)	(1,682,009)	(1,099,973)	(393,080)
Net position, beginning								
As previously reported	(1,463,293)	(1,146,685)	(1,954,984)	2,254,353	2,622,169	3,153,206	4,053,061	3,033,324
Prior period adjustments	-	-	-	-	-	-	-	-
As restated	(1,463,293)	(1,146,685)	(1,954,984)	2,254,353	2,622,169	3,153,206	4,053,061	3,033,324
Net position, ending	\$ (1,920,126)	\$ (1,537,378)	\$ (2,686,901)	\$ 1,490,488	\$ 1,577,223	\$ 1,471,197	\$ 2,953,088	\$ 2,640,244

Philadelphia Housing Authority
Component Units
Combining Statement of Revenues, Expenses and Changes in Net Position (Continued)
March 31, 2016

	Wamock I	Wamock II	Gordon Street, LLC	Oakdale Street, LLC	Queen Lane Apartments, L.P.	Total Discrete Units
Operating Revenue						
Total tenant revenue	\$ 451,706	\$ 556,756	\$ -	\$ -	\$ -	\$ 24,159,178
Operating subsidies	-	-	-	-	-	-
Other income	3,260	996	-	-	385,791	3,476,643
Total operating revenue	454,966	557,752	-	-	385,791	27,635,821
Operating Expenses						
Administrative	86,356	88,495	-	-	-	8,186,731
Tenant services	-	-	-	-	-	-
Utilities	42,742	110,741	-	-	-	4,442,293
Maintenance	252,922	275,939	-	-	-	10,940,783
Protective services	-	-	-	-	-	-
General	48,054	66,259	-	-	-	3,171,069
Housing assistance programs	-	-	-	-	-	-
Depreciation and amortization	492,035	442,982	-	-	-	17,723,881
Total operating expenses	922,109	964,416	-	-	-	44,464,757
Operating income (loss)	(467,143)	(426,664)	-	-	385,791	(16,828,936)
Nonoperating Revenue and (Expenses)						
Interest and investment earnings	89	51	-	-	-	17,099
Special items	-	-	-	-	-	-
Interest expense	(137,400)	(307,258)	-	-	-	(6,069,270)
Net nonoperating revenue	(137,311)	(307,207)	-	-	-	(6,052,171)
Income (loss) before capital contributions	(604,454)	(733,871)	-	-	385,791	(22,881,107)
Capital contributions						
HUD capital subsidies	-	-	-	-	-	-
Other nonoperating contributions	-	-	-	-	-	-
Partner distributions	-	-	-	-	-	(6,287)
Partners contributions	-	-	-	-	-	15,203,561
	-	-	-	-	-	15,197,274
Change in net position	(604,454)	(733,871)	-	-	385,791	(7,683,833)
Net position, beginning						
As previously reported	7,638,813	4,696,682	-	-	-	59,130,435
Prior period adjustments	-	-	-	-	-	-
As restated	7,638,813	4,696,682	-	-	-	59,130,435
Net position, ending	\$ 7,034,359	\$ 3,962,811	\$ -	\$ -	\$ 385,791	\$ 51,446,602

Single Audit Section

Philadelphia Housing Authority

Schedule of Expenditures of Federal Awards
Year Ended March 31, 2015

	Federal CFDA Number	Pass-Through Grantor Number	Federal Expenditures
<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>			
<u>U.S. Department of Housing and Urban Development</u>			
Congregate Housing Services Program	14.170	N/A	\$ 81,580
Section 8 Project-Based Cluster			
Section 8 Moderate Rehabilitation Single Room Occupancy	14.249	N/A	1,849,861
Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitation	14.856	N/A	1,869,170
Total Section 8 Project-Based Cluster			3,719,031
Moving to Work Demonstration Program			
Section 8 Housing Choice Vouchers			194,625,524
Public and Indian Housing			116,902,704
Public Housing Capital Fund			31,956,220
Total Moving to Work Demonstration Program	14.881	N/A	343,484,448
Resident Opportunity and Supportive Services - Service Coordinators	14.870	N/A	353,746
Choice Neighborhoods Implementation Grants	14.889	N/A	304,693
Housing Voucher Cluster			
Section 8 Housing Choice Vouchers	14.871	N/A	3,667,380
Mainstream Vouchers	14.879	N/A	505,128
Total Housing Voucher Cluster			4,172,508
<u>U.S. Department of Agriculture</u>			
<u>Pass-Through Commonwealth of Pennsylvania</u>			
Summer Food Service Program for Children	10.559	N/A	174,171
			\$ 352,290,177

See Notes to Schedule of Expenditures of Federal Awards.

Philadelphia Housing Authority

**Notes to Schedule of Expenditures of Federal Awards
Year Ended March 31, 2015**

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Philadelphia Housing Authority (PHA of the Authority) under programs of the federal government for the year ended March 31, 2015. The information in the Schedule is reported in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of PHA, it is not intended to and does not present the financial position, changes in net position or cash flows of PHA.

Note 2. Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Philadelphia Housing Authority

Notes to Schedule of Expenditures of Federal Awards
Year Ended March 31, 2015

Note 3. Expenditures to Subrecipients

Of the federal expenditures presented in the schedule, PHA provided federal awards to subrecipients as follows:

CFDA Number	Program Name	Subrecipient	Amount Provided
14.881	Moving to Work Demonstration Program	Cambridge Plaza L.P.	\$ 262,611
		Cambridge Plaza II, L.P.	344,504
		Cambridge III, L.P.	259,456
		(Falls Ridge) Ridge Avenue	537,375
		Germantown House	805,300
		Lucien E. Blackwell Homes Phase II, L.P.	449,267
		Lucien E. Blackwell Homes Phase III, L.P.	528,722
		Ludlow Scattered Sites Phase III, L.P.	426,728
		Mantua Phase I, L.P.	489,580
		Mantua Phase II, L.P.	189,932
		Marshall Shepard Village, L.P.	617,291
		Mill Creek	539,064
		Mt. Olivet L.P.	1,162,652
		Nellie Reynolds Gardens, L.P.	479,131
		Neuman North, L.P.	263,003
		Norris Apartments, L.P.	362,270
		Paschall L.P. Phase I	228,814
		Paschall L.P. Phase II	196,144
		Raymond Rosen (8 Diamonds)	627,064
		Richard Allen Phase III	690,090
		Southwark (Courtyards)	2,042,499
		Spring Garden Housing Limited Partnership	362,124
		Spring Garden II	114,252
		St. Anthony's Senior Residences Associates, L.P.	160,320
		St. Ignatius Senior Housing I, L.P. (Angela Court I)	269,847
		St. Ignatius Senior Housing II, L.P. (Angela Court II)	203,351
		Suffolk Manor	893,367
		Tasker I	1,482,640
		Tasker II	880,455
		Uni-Penn (MLK I) I	183,271
		Uni-Penn (MLK II) II	176,164
		Uni-Penn (MLK IV) IV	185,386
		Warnock Phase I	299,093
		Warnock Phase II	372,640
			<u>\$ 17,084,407</u>



RSM US LLP

**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance With Government Auditing Standards**

To the Board of Commissioners
Philadelphia Housing Authority
Philadelphia, Pennsylvania

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the proprietary fund type, the aggregate discretely presented component units and aggregate remaining fund information of Philadelphia Housing Authority (PHA), as of and for the year ended March 31, 2015, and the related notes to the financial statements, which collectively comprise PHA's basic financial statements, and have issued our report thereon dated November 19, 2015. Our report includes a reference to other auditors who audited the financial statements of the fiduciary fund type and the discretely presented component units, as described in our report on PHA's financial statements. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered PHA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of PHA's internal control. Accordingly, we do not express an opinion on the effectiveness of PHA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether PHA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RSM US LLP

Blue Bell, Pennsylvania
November 19, 2015



RSM US LLP

**Independent Auditor's Report on Compliance for Each
Major Federal Program and Report on Internal Control
Over Compliance Required by OMB Circular A-133**

To the Board of Commissioners
Philadelphia Housing Authority
Philadelphia, Pennsylvania

Report on Compliance for Each Major Federal Program

We have audited Philadelphia Housing Authority's (PHA) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of PHA's major federal programs for the year ended March 31, 2015. PHA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of PHA's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about PHA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of PHA's compliance.

Opinion on Each Major Federal Program

In our opinion, PHA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2015.

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular No. A-133 and which are described in the accompanying schedule of findings and questioned costs as item No. 2015-001. Our opinion on each major federal program is not modified with respect to this matter.

PHA's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. PHA's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of PHA is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered PHA's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of PHA's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item No.2015-001 that we consider to be a significant deficiency.

PHA's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. PHA's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

RSM US LLP

Blue Bell, Pennsylvania
November 19, 2015

Philadelphia Housing Authority

**Schedule of Findings and Questioned Costs
Year Ended March 31, 2015**

I. Summary of Independent Auditor's Results

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

 Yes X No
 Yes X None Reported

Noncompliance material to financial statements noted?

 Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

 Yes X No
 X Yes None Reported

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?

 X Yes No

Identification of major programs:

Name of Federal Program or Cluster
Moving to Work Demonstration Program

CFDA Number
14.881

Dollar threshold used to distinguish between Type A and Type B Programs:

\$3,000,000

Auditee qualified as low-risk auditee?

 Yes X No

Philadelphia Housing Authority

Schedule of Findings and Questioned Costs Year Ended March 31, 2015

II. Financial Statement Findings

None identified.

III. Findings and Questioned Costs for Federal Awards

This section identifies the audit findings required to be reported by Circular A-133 Section .510(a) (for example, material weaknesses, significant deficiencies, and material instances of noncompliance, including questioned costs), as well as any abuse findings involving federal awards that are material to a major program.

Finding #2015-001 – Reporting – Form HUD-50058

Federal program information

U.S. Department of Housing and Urban Development

CFDA 14.881 Moving to Work Demonstration Program

Section 8 Housing Choice Vouchers

Program Year: April 1, 2014 to March 31, 2015

Program Number: PA002VOW

Public And Indian Housing

Program Year: April 1, 2014 to March 31, 2015

Program Number: PA002-00000114D and PA002-00000115D

Criteria

Per 24 CFR Part 908 and 24 CFR Section 982.158, the public housing authority is required to submit Form HUD-50058, *Family Report* (OMB No. 2577-0083), through the Public and Indian Housing Information Center (PIC) to HUD each time the public housing authority completes an admission, annual re-examination, interim re-examination, portability move-in, or other change of unit for a family. The public housing authority must also submit the *Family Report* when a family ends participation in the program or moves out of the public housing authority's jurisdiction under portability.

The *Family Report* contains critical information indicated as *Key Line Items*. A public housing authority is also required to retain certain items required by HUD when completing the HUD-50058.

Additional criteria which relate to, or are impacted by, the information reported via Form HUD-50058 include:

MTW agencies are required to establish and implement a reasonable rent policy, which shall be designed to encourage employment and self-sufficiency by participating families, consistent with the purpose of the

MTW demonstration, such as by excluding some or all of a family's earned income for purposes of determining rent. The rent policy must be in the Annual MTW Plan. The Administrative Plan for Housing Choice Voucher (HCV) Program and Admissions and Continued Occupancy Policy for Low Rent Public Housing (LPH) Program also governs more specifics of the rent reasonableness calculation, such as allowable deductions, unit type for rent calculation and income allowability.

Philadelphia Housing Authority

**Schedule of Findings and Questioned Costs
Year Ended March 31, 2015**

Statement of Condition

Tenant file inspections included 60 files from the HCV program, 68 files from the LPH program, including 8 files from the discrete component units under the LPH program. Out of 60 HCV tenant files inspected, 6 (10%) files had one or more exceptions noted. Out of 68 LPH files inspected, 10 (15%) had one or more exceptions noted. These exceptions involved incorrect Form HUD-50058 reporting to HUD as follows:

Housing Choice Voucher Program

- (a) 2 HCV HUD-50058 forms showed an incorrect birth date for a household member.
- (b) 1 HCV tenant file was not compliant with the requirement to include the Individual Control Number page of the Earned Income Report as evidence of the Earned Income Verification (EIV) check required to be performed to verify \$0 income tenants every 180 days. There were 4 HCV files selected related to \$0 income tenants. The Authority completed the interim HUD Form 50058 and included in a note to the file, but the ICN page was not maintained as the process was being reengineered during the year ended March 31, 2015.
- (c) 2 HCV files excluded deductions in calculation of reasonable rent.
- (d) 1 HCV file included an incorrect unit type in the calculation of reasonable rent.

Low Rent Public Housing Program

- (a) 1 LPH file did not have an annual reexamination filed in a timely manner.
- (b) 3 LPH tenants had changes to income that were not properly updated during reexamination.
- (c) 1 LPH HUD-50058 form reported unallowable income.
- (d) 2 LPH calculations improperly included or excluded the \$500 working family deduction. Either the deduction was not supported by evidence of a minimum of 20 hours worked or evidence of the minimum hours was obtained but the deduction was not granted. Therefore, incorrect total annual income was reported to HUD. Improperly excluding the \$500 working family deduction also results in non-compliance with the established reasonable rent policy. Rent is restricted to the lesser of a percentage of annual income or a ceiling rent.
- (e) 1 LPH file did not include evidence of timely follow-up action related to a failed criminal background check that was performed upon reexamination.
- (f) 2 LPH HUD-50058 forms showed an incorrect birth date for a household member.
- (g) 1 tenant file for a discrete component unit did not have an annual Housing Quality Standards (HQS) inspection performed for the year ended March 31, 2015.

Known and Likely Questioned Costs

Known and likely questioned costs for each of the conditions above:

Housing Choice Voucher Program

- (a) None
- (b) None
- (c) Undeterminable understatement of annual income and corresponding excess Housing Assistance Payments.
- (d) HAP was calculated and paid as \$15 lower than it should have been for the year ended March 31, 2015.

Philadelphia Housing Authority

Schedule of Findings and Questioned Costs Year Ended March 31, 2015

Low Rent Public Housing Program

- (a) None
- (b) Rent was undercharged by \$112 for the tenant files with errors noted.
- (c) None
- (d) A net overcharge of rent of \$514 for the tenant files with exceptions noted.
- (e) None
- (f) None
- (g) None

Cause of Condition

The causes of conditions noted were:

Housing Choice Voucher Program

- (a) Data entry errors when populating Form HUD-50058.
- (b) Staff responsible for these files did not follow the Authority's policy requiring re-verification of income for \$0 income tenants every 180 days. Prior year finding was communicated in December 2015 and reinforcement of policy was made at that time, but 180 days had already passed in the fiscal year.
- (c) Authority staff did not follow the authority's policy for the allowable deductions in the Administrative Plan during year ended March 31, 2015. These items were corrected subsequent to year-end.
- (d) Authority staff did not enter unit type into system in accordance with Authority policy during year ended March 31, 2015. This item was corrected subsequent to year-end.

Low Rent Public Housing

- (a) Staff responsible for this file did not properly capture date of reexamination in accordance with the Authority's policy.
- (b) Staff responsible for these files did not follow the Authority's policy for updating income based on information received during the reexamination process.
- (c) System improperly reported income on Form HUD-50058
- (d) Authority staff did not follow the Authority's policy for the allowable deductions under the ACOP for the year ended March 31, 2015 for this file. This item was corrected subsequent to year-end.
- (e) Authority staff did not follow the Authority's policy for timely follow-up when reexamination work is performed. The tenant was eventually evicted subsequent to year-end.
- (f) Data entry errors when populating Form HUD-50058. These errors were corrected subsequent to year end.
- (g) Management of the discrete component unit site did not follow the Authority's policy for annual inspection.

Recommendation

The Authority has established policies and controls which did not operate effectively in these instances. We make the following recommendations:

- Strengthen and expand review of manual data inputs. The scope of current review procedures were not sufficient to detect and correct the manual errors noted.
- The Authority implemented a process to identify tenant files that were for due for EIV check due to \$-0- income subsequent to prior year audit finding. The Authority should verify that this process is operating as designed.
- Reinforce training on policies regarding timeliness of reexaminations, allowable deductions, calculation inputs and documentation that should be maintained within tenant files.

Philadelphia Housing Authority

Schedule of Findings and Questioned Costs Year Ended March 31, 2015

Management's Response

As a result of last fiscal year's audit findings, the LPH Program and the HCV Program expanded and strengthened its processes to comply with internal and external audits, HUD's rules and regulations, and PHA's policies and procedures.

Housing Choice Voucher Program

The HCV Program provided extensive and intense training to its entire staff to further enhance manual data inputs, reinforcement of policies, and the detection of errors. The training included but was not limited to topics such as: 50058 consistencies with client file, Verification Hierarchy, Upfront Income Verification (UIV), Income Verification Review, Timeline of Recertifications, Zero Income, among other items. Moreover, the HCV Program has ongoing training throughout the year for reinforcement of guidelines.

Out of the six (6) noted exceptions, five (5) of six (6) or 83% of the exceptions were detected, identified and corrected by the HCV Program internal control compliance review process prior to releasing the files for review, providing PHA assurance that the HCV Program internal control systems are working effectively and as intended.

In particular, one file in question was cited for an Enterprise Income Verification (EIV) 180-day review of zero income tenants, and was in correlation with a prior year exception noted by McGladrey. As a result of this prior year exception, the HCV Program conducted an extensive internal review of all of its zero income families, made corrections where required, and documented the tenant files accordingly. The updated 50058 (effective 7/1/2014), the EIV printed (1/15/2015) effective 7/1/2014 and the system note that the EIV verification for the 180 zero income check was completed for this particular file serve as evidence that the appropriate 180-day review was performed as required.

Low Rent Public Housing

Beginning in March of 2013, various training on LPH Program rules, procedures and regulations was conducted and professional certification is now required for all employees who determine eligibility, lease clients, recertify, determine rent, and conduct inspections for the program; Employees were certified as Public Housing Management Specialists, and the certification is required to remain employed as a Property Manager. Included within these sessions was training on recertification, interim recertification, and rent calculation (including deductions and utility allowances). Additionally the LPH Program hired two Public Housing Compliance Specialists to assist with program compliance monitoring.

Similar to the HCV Program, over the last fiscal year, the LPH Program provided extensive training to management staff around manual data inputs, reinforcement of policies, and the detection and correction of errors. Currently there are mechanisms in place to assist managers with annualizing income correctly and performing rent calculation accurately. Additionally, there are checklists, reports, dashboards, and ticklers in place to assist with tracking Recertifications.

Nine (9) of the 11 items cited are as a result of data entry errors – the property management staff responsible for the errors have all been trained on the governing policies and procedures to accurately perform their job functions. Accordingly, these individuals have been held accountable for their errors according to PHA's disciplinary policy, up to and including termination. PHA is committed to continually providing Property Managers the training and support needed to maintain accurate files. Additionally, each error has been corrected and the appropriate rent credits have been adjusted where due.

Philadelphia Housing Authority

**Schedule of Findings and Questioned Costs
Year Ended March 31, 2015**

For the one (1) exception listed as "HUD form 50058 reported unallowable income," the household contained a live-in-aid whose income was correctly excluded from the income determination and the rent calculation for the household. The live-in-aid income was incorrectly populated on the 50058 because of an isolated system anomaly with this particular file. PHA's IT Department has researched this anomaly, resubmitted the correct 50058 for this file and assured that no other files with live-in-aid income have this issue.

There was one (1) tenant file for a discrete component unit noted as not having an annual HQS inspection performed for the year ended March 31, 2015. This unit in question is located at one of PHA's alternatively-managed properties, which are developments managed by a third-party. PHA will provide official notice regarding this finding and remind the management entity of the importance of maintaining accurate inspection files for every annual inspection.

Philadelphia Housing Authority

**Summary Schedule of Prior Audit Findings
Year Ended March 31, 2015**

Internal Control Findings

Finding No. 2014-001 - Financial Reporting

Criteria

Management is responsible for the accurate and complete preparation of internal and year-end financial statement information. Effective reviews over the transactions must be in place to ensure that material transactions are appropriately recorded in the financial statements.

Statement of Condition

There were several adjustments made to the trial balance that were identified as a result of the audit.

Cause of Condition

Management did not properly analyze and evaluate critical liabilities such as workers' compensation claims payable and litigation claims payable as of the reporting date. Cash reserves deposited with the insurance company were erroneously recorded as workers' compensation liability. Employee benefit plans had not been fully analyzed to ensure accuracy of accounting and reporting.

Effect of Condition

The Authority has a significant deficiency in internal control over financial reporting.

Recommendation

We recommend the Authority enhance their existing financial reporting close process to formally incorporate a regular analysis of all critical asset and liability accounts at the end of each reporting period to ensure accuracy and completeness of all critical financial statement balances.

Current Status

Workers' Compensation

Management has modified the existing process to review the Worker's Compensation liability and cash collateral balances at mid-year and at year-end. A meeting has been held with Risk Management, Human Resources, Finance, Connor Strong, and Liberty Mutual to evaluate current and anticipated future losses, claims, and payments to Liberty Mutual. Based on the results of the year-end evaluation of Worker's Compensation, as necessary, an adjusting journal entry will be booked to reflect Management's estimate of Worker's Compensation. Documentation to support these adjustments and evaluation analysis is being maintained accordingly. Implementation of this corrective action began January 2015 and has continued since.

In February 2015, Finance met with Human Resources, Risk, Legal, Connor Strong and Liberty to review the Worker's Compensation claims historical data and trend and calculated a preliminary estimate of the Worker's Compensation Reserve as the end of the FY2015. Finance met with Risk and Legal again in May 2015 to update the preliminary calculation to be booked as reserve by Finance.

In addition, Risk performed a detailed analysis of the Worker's Compensation Loss Projection as a basis of the minimum Worker's Compensation reserve and submitted the analysis to Human Resources, Legal and Finance for review. Finance compared the required reserve in the analysis to the current reserve recorded in the books and no adjustment is deemed necessary.

Philadelphia Housing Authority

**Summary Schedule of Prior Audit Findings
Year Ended March 31, 2015**

Legal

Management has modified the existing process to review potential legal claims and liability at mid-year and at year-end. Finance and Legal have met to discuss the existing and potential legal claims. Based on the results of the year-end evaluation, as necessary, an adjusting journal entry will be booked to reflect Management's estimate of the outstanding legal liability. Documentation to support these adjustments and evaluation analysis is being maintained accordingly. Implementation of this corrective action began January 2015 and has continued since.

For FY2015, Finance obtained a schedule of Litigations from Legal and discussed the amount of estimated legal liability that needs to be accrued based on information available as of May 2015 (Preliminary FDS submission). Legal updated the status of the Litigations and compared the new estimated liability to the liability recorded in the books by Finance. Since the new estimate is not materially different from the preliminary calculation, no additional reserve was booked by Finance.

Lastly, a memorandum was drafted and submitted to HUD that codifies this routine review process. To date, HUD has not responded to PHA's submission. PHA anticipates that HUD will close this finding based on the response.

A. Findings and Questioned Costs for Federal Awards

Finding No. 2014-002 - Reporting – Form HUD-50058

Federal program information

U.S. Department of Housing and Urban Development
CFDA 14.881 Moving to Work Demonstration Program

Section 8 Housing Choice Vouchers
Program Year: April 1, 2013 to March 31, 2014
Program Number: PA002VOW

Public and Indian Housing
Program Year: April 1, 2013 to March 31, 2014
Program Number: PA002-00000114D and PA002-00000113D

Criteria

Per 24 CFR Part 908 and 24 CFR Section 982.158, the public housing authority is required to submit Form HUD-50058, *Family Report* (OMB No. 2577-0083), through the Public and Indian Housing Information Center (PIC) to HUD each time the public housing authority completes an admission, annual reexamination, interim reexamination, portability move-in, or other change of unit for a family. The public housing authority must also submit the *Family Report* when a family ends participation in the program or moves out of the public housing authority's jurisdiction under portability. The *Family Report* contains critical information indicated as *Key Line Items*.

Additional criteria which relate to, or are impacted by, the information reported via Form HUD-50058 include:

MTW agencies must assure that housing assisted under the demonstration program meets housing quality standards established or approved by the Secretary. HCV program regulations at 24 CFR sections 982.401 through 982.405 set forth basic housing quality standards (HQS) which all units must meet, and the public housing authority must verify by inspection, before initial assistance can be paid on behalf of a family and at least annually throughout the term of the assisted tenancy.

Philadelphia Housing Authority

Summary Schedule of Prior Audit Findings Year Ended March 31, 2015

MTW agencies are required to establish and implement a reasonable rent policy, which shall be designed to encourage employment and self-sufficiency by participating families, consistent with the purpose of the MTW demonstration, such as by excluding some or all of a family's earned income for purposes of determining rent. The rent policy must be in the Annual MTW Plan and Reports (Section 204(c)(3)(B) of Pub. L.No. 104-134 (42 USC 1437f(note))).

Statement of Condition

Tenant file inspections included 60 files from the Housing Choice Voucher (HCV) program and 60 files from the Low Rent Public Housing (LPH) program. Out of 60 HCV tenant files inspected, 21 files (35%) had one or more exceptions noted. Out of 60 LPH tenant files selected, 29 files (48%) had one or more exceptions noted. These exceptions involved incorrect Form HUD-50058 reporting (below) and deficiencies in Eligibility and Tenant File Maintenance (Finding 2014-003).

Exceptions involving incorrect information being reported to HUD via Form HUD-50058 consisted of the following:

Housing Choice Voucher Program

- (a) 6 HCV HUD-50058 forms showed an incorrect date of admission to the program. Inspection of the files showed earlier lease agreements dated several years before the reported admission date.
- (b) 3 HCV files were missing income verification support for some of the listed income sources, specifically the CIS/EIV printouts supporting SSI and SSP income. Income must be verified with applicable supporting documents such as paystubs, EIV reports, benefit letters, DPA CIS database printout, etc. As such, it cannot be determined if the total annual income reported to HUD via Form HUD-50058 is accurate.
- (c) 3 of the HCV files selected related to \$0 income tenants. Out of these 3 tenant files, 1 was not compliant with the Authority's policy to verify \$0 income every 180 days. \$0 income is verified by running and reviewing EIV report for income. The verification was subsequently completed 7 months beyond the 180-day due date.
- (d) 1 HCV rent calculation utilized an incorrect utility allowance which resulted in excess HAP paid on behalf of the tenant. The HCV tenant was a CRP participant but was provided the higher utility allowance applicable to non-CRP tenants.
- (e) 4 HCV income calculations did not agree to supporting documents such as paystubs, third-party confirmations of income, etc. As such, reported total annual income is incorrect. Tenant rent is correspondingly understated and HAP was paid in excess on behalf of these tenants.
- (f) 3 HCV units were inspected timely but not reported as inspected and passed on Form HUD-50058 on the correct date.
- (g) 2 HCV tenants had Family Self Sufficiency (FSS) escrow balances accrued but were not reported as current FSS participants. Further investigation showed that the reported information was correct but the FSS accounts had not been properly closed out.

Low Rent Public Housing Program

- (a) 4 LPH files were missing income verification support for some or all income sources. Income must be verified with supporting documents such as paystubs, EIV reports, benefit letters, DPA CIS database printout, etc. As such, it cannot be determined if the total annual income reported to HUD via Form HUD-50058 is accurate.
- (b) 3 of the LPH files selected related to \$0 income tenants. Out of these 3 files, 1 file was missing evidence that an EIV report was run for the 180-day recertification. As such, it could not be confirmed that there was no income on the EIV report for the tenant.
- (c) 4 LPH income calculations did not agree to supporting documents, such as paystubs, etc. As such, reported total annual income is incorrect. Tenant rent is correspondingly incorrect and may be non-compliant with the established reasonable rent policy. Rent is restricted to the lesser of a percentage of annual income or a ceiling rent.

Philadelphia Housing Authority

**Summary Schedule of Prior Audit Findings
Year Ended March 31, 2015**

- (d) 2 LPH calculations improperly included or excluded the \$500 working family deduction. Either the deduction was not supported by evidence of a minimum of 20 hours worked or evidence of the minimum hours was obtained but the deduction was not granted. Therefore, incorrect total annual income was reported to HUD. Improperly excluding the \$500 working family deduction also results in non-compliance with the established reasonable rent policy. Rent is restricted to the lesser of a percentage of annual income or a ceiling rent.
- (e) 8 LPH income recertifications were not completed within the required time frame.
- (f) 2 LPH HUD-50058 forms reported prior re-exam dates which were not evidenced by supporting documents or disagreed with CRM records.

Questioned Costs

Questioned costs for each of the conditions above:

Housing Choice Voucher Program

- (a) None
- (b) \$793 of unverified annual income reported for 3 tenants
- (c) Undeterminable understatement of annual income and corresponding excess Housing Assistance Payments.
- (d) Tenant share of rent was \$99 per month lower than it should be.
- (e) HAP paid in excess on behalf of tenants was \$274 for the year.
- (f) None
- (g) Unknown
- (h) Unknown

Low Rent Public Housing Program

- (a) Undeterminable amount of unverified annual income reported
- (b) Undeterminable understatement of annual income and corresponding undercharge in rent.
- (c) 2 LPH tenants were charged \$504 in excess for the year. Undeterminable effect on the remaining 2 LPH tenant files.
- (d) Errors net to \$1 overcharge of rent.
- (e) Undeterminable
- (f) Undeterminable

Cause of Condition

The causes of conditions noted were:

Housing Choice Voucher Program

- (a) These dates were imported from the previous operating system (CCS) into Elite. CCS was a contract based system which only maintained information on the most recent contract, not the date of admission. The Authority converted from CCS to Elite in December 2008, and due to the limitations of CCS, the software engineers used the move-in date of the unit occupied at time of conversion as the date of admission.
- (b) Staff responsible for these files did not follow the Authority's policies and procedures regarding documentation that should be retained for the income verification. Support was obtained and kept for certain income elements but not others. For one of the files, it was noted that the entire recertification effective for the fiscal year was misplaced during one of the various office moves and transitions and was unavailable for inspection.
- (c) Staff responsible for these files did not follow the Authority's policy requiring re-verification of income for \$0 income tenants every 180 days.
- (d) Staff responsible for these files did not properly identify these tenants as CRP participants and did not notice that the system glitch which resulted in the calculation incorrectly using the utility allowance chart for non-CRP tenants.

Philadelphia Housing Authority

Summary Schedule of Prior Audit Findings Year Ended March 31, 2015

- (e) Mathematical and data entry errors when aggregating and annualizing income. Accidental exclusion of Child Support income from the calculation. Transposition of numbers during calculation.
- (f) As Form HUD-50058 is automatically populated from the CRM database, management knows that the errors in the inspection dates on Form HUD-50058 are due to a system glitch. The system was not detecting the recent inspections and instead pulled a prior date.
- (g) Due to significant turnover in the department, FSS contract files have not been adequately maintained and FSS escrow balances have not been properly closed out for tenants terminated from the program. The Authority believes a majority of the remaining accrued escrow balance relates to expired FFS contracts and is currently reviewing and reconciling all files.

Low Rent Public Housing Program

- (a) Staff responsible for these files did not follow the Authority's policies and procedures regarding documentation that should be retained for the income verification.
- (b) Instance of staff oversight in retaining the EIV report which supports the re-certification.
- (c) Mathematical errors when aggregating and annualizing income. One calculation agreed to supporting documents but was entered into CRM incorrectly, resulting in an erroneous Form HUD-50058.
- (d) Staff did not properly verify and document that the family was eligible for the working family deduction. Staff did not properly apply a deduction for which evidence showed they qualified. These were human errors.
- (e) Staff responsible for these files did not follow the Authority's policy regarding frequency of re-exams and the documentation and support that must be maintained.
- (f) The re-exam documentation was misplaced for one file and was unavailable for inspection. Incorrect date of re-exam was reported and did not align with CRM records.

Recommendation

Except for the system glitch where CRM was not detecting more recent inspection dates for HUD Form-50058, most of the exceptions noted in the tenant files relate to human errors. The Authority has established policies and controls which did not operate effectively or as designed in these instances. We make the following recommendations:

- Strengthen and expand review of manual data inputs and calculations. The Authority currently has review procedures in place but the scope of these were not sufficient to detect and correct the manual errors noted.
- The Authority uses reports which show \$-0- income tenants and the last date of EIV verification to identify upcoming due dates for re-certification. The \$0 income file which did not undergo re-exam within the 180 days time requirement was not detected under this control. The Authority should evaluate why a flag was not raised for this file despite an appropriately designed control and adjust accordingly.
- Create an automated control within Elite to prevent the use of non-CRP utility allowances for CRP participants.
- Enhance and reinforce training of staff to ensure they understand:
 - Established policies regarding what support must be maintained in the file for each element.
 - Method for calculating income and importance of double-checking work to prevent data entry errors.
 - Available deductions and the documentation that must be retained for each.

Philadelphia Housing Authority

**Summary Schedule of Prior Audit Findings
Year Ended March 31, 2015**

- The Authority has established automated controls to alert management when files are soon-to-be due or overdue for recertification. This control did not effectively ensure the recertifications were completed timely for 8 files inspected. The Authority should review why these were not completed timely despite the alerts in place. The Authority should improve follow up on existing alerts for when files are due for recertification.
- The Authority should strengthen existing policies, procedures, and internal controls to ensure that unit inspections deficiencies are addressed and appropriately documented.

The Authority should continue efforts to review the FSS escrow balances and close out balances as appropriate. The Authority should also determine currently active participants and ensure that their FSS accounts are being properly administered.

The Authority should investigate and correct the system issues which caused the incorrect inspection dates to be reported to HUD via Form HUD-50058.

Current Status

HCV and PH have reviewed and corrected outstanding rent calculations errors cited. Management will continue to require staff to attend training and obtain PH/HCV Specialist Certification as a mandatory job requirement. Further, PH/HCV Specialist Certification training was concluded in the month of June, 2015.

Management will continue efforts to standardize tenant files, perform supervisory and compliance file reviews and hold staff accountable for failure to adhere to governing rules and regulations for file compliance. Property Managers in the HCV and LRP programs will continue to use file review checklists when performing Recertification procedures, which require the review of Lease Addendums to ensure that the proper documentation is in the file.

Supervisory staff will continue to monitor zero-income recertification and late recertification reports to ensure timely resolution, as well as to ensure that instances where the delay is tenant caused is clearly documented.

Standard Operating Procedures for the FSS program detailing routine reconciliation requirements have been drafted and approved. HUD has received a copy of the approved SOP in response to this finding. Training of the appropriate staff is scheduled to commence in October of 2015.

See Finding 2015-001.

Philadelphia Housing Authority

**Summary Schedule of Prior Audit Findings
Year Ended March 31, 2015**

Finding No. 2014-003 Eligibility and Tenant File Maintenance

Federal program information

U.S. Department of Housing and Urban Development
CFDA 14.881 Moving to Work Demonstration Program

Section 8 Housing Choice Vouchers
Program Year: April 1, 2013 to March 31, 2014
Program Number: PA002VOW

Public and Indian Housing
Program Year: April 1, 2013 to March 31, 2014
Program Number: PA002-00000114D and PA002-00000113D

Criteria

The Authority has established various policies and procedures to address program requirements for eligibility determination and tenant file maintenance. These policies include, but are not limited to, the following:

- (a) Verify and document eligibility of landlords.
- (b) Provide notification to applicants and tenants describing their protections and rights under the Violence Against Women Act (VAWA).
- (c) For special accommodation units (504 units), appropriate Lease Riders should be reviewed and signed by tenants to document their understanding of policies and self-declaration of disabled / not-disabled status.
- (d) At each change of Contract Rent, perform a comparison of the contract rent to comparable units to ensure Contract Rent is reasonable. Document this reasonable rent determination within the tenant file, including the name of the individual that performed the determination.

Statement of Condition

During review of 60 HCV tenant files and 60 LPH tenant files, several instances of non-compliance with the Authority's policies and procedures were noted. These exceptions consisted of the following:

Housing Choice Voucher Program

- (a) 1 HCV file inspected was missing certain landlord eligibility documents. Only the training certificate was available for inspection for this file. Complete landlord eligibility files included photo I.D.'s, property tax payments history review, certifications by the owner, licenses, and/or training certificates.
- (b) 2 HCV files inspected were missing evidence that the VAWA notice was provided timely.
- (c) 4 HCV tenant files were missing documentation of a reasonable rent determination, which must be completed and documented at each change in Contract Rent. It is noted that some of these files contained rent reasonableness determinations for older Contract Rent amounts.

Low Rent Public Housing Program

- (a) 16 LPH files inspected contained contradicting information regarding disability status. Tenants signed both "Lease Rider A - Accessible Unit Assignment to Disabled Tenant" and "Lease Rider B - Accessible Unit Assignment to Non-Disabled Tenant". Some of these units were not 504 units and required no Lease Rider.

Philadelphia Housing Authority

**Summary Schedule of Prior Audit Findings
Year Ended March 31, 2015**

Questioned Costs

HCV Contract Rent of \$3,109 per month is questioned for 3 units due to lack of documentation of reasonable rent determination.

No other exceptions resulted in questioned costs.

Cause of Condition

Housing Choice Voucher Program

- (a) The Authority moved responsibility for maintenance of landlord eligibility documentation to Owner Services; therefore, new landlord eligibility documents were no longer added to the tenant files. Between the tenant files and Owner Services files, select landlord eligibility documents were misplaced and not available for auditors to inspect.
- (b) Staff responsible for the files did not provide VAWA form to tenant for signature as required by the Authority's policies. For 1 of the files, the Authority subsequently obtained a signed VAWA notice for the tenant dated July 22, 2014. This was significantly late as the tenant's date of admission was in 2006.
- (c) Staff responsible for the files did not prepare or did not retain the rent reasonableness determination for the selected Contract Rent.

Low Rent Public Housing Program

- (d) Standard leasing packages are being provided to tenants for signature without thorough consideration on whether all elements of the package are applicable to the tenant. Staffs are not going over the documents with tenants to a sufficient extent to ensure tenants understand all the forms that they are signing.

Many of these exceptions are caused by human error and/or oversight. There appears to be a lack of consistent application of the policies and procedures which the Authority has implemented.

Recommendation

Management should enhance and reinforce training of personnel responsible for tenant files to:

- (a) Ensure all landlord eligibility documents are consistently maintained, either in the tenant file or in the landlord's file.
- (b) Ensure consistent compliance with provisions regarding VAWA.
- (c) Improve understanding of the proper use of Lease Riders as it relates to disclosures for tenants with disabilities.
- (d) Reinforce what information and support that should be obtained and kept in the tenant files. Implement policy that does not allow for portions of the files to be removed or require a log of such activity to provide a trail.
- (e) Improve consistency over the state and condition of the tenant files. Certain files were significantly less organized than others. Newer files appeared to be in better condition. Continue efforts to standardize tenant files.

Current Status

HCV and PH have reviewed and corrected outstanding rent calculations errors cited. Management will continue to require staff to attend training and obtain PH/HCV Specialist Certification as a mandatory job requirement. Further, PH/HCV Specialist Certification training was concluded in the month of June 2015. Management will continue efforts to standardize tenant files, perform supervisory and compliance file reviews and hold staff accountable for failure to adhere to governing rules and regulations for file compliance. Property Managers in the HCV and LRPB Programs will continue to use file review checklists when performing Recertification procedures, which require the review of Lease Addendums to ensure that the proper documentation is in the file. PHA notes that during the fiscal year 2015 audit, no findings of missing or misplaced documentation in tenant files were cited.

Philadelphia Housing Authority

Summary Schedule of Prior Audit Findings
Year Ended March 31, 2015

Finding No. 2014-004 Allowable Costs/Cost Principles

Federal program information

U.S. Department of Housing and Urban Development
CFDA 14.881 Moving to Work Demonstration Program

Section 8 Housing Choice Vouchers
Program Year: April 1, 2013 to March 31, 2014
Program Number: PA002VOW

Public and Indian Housing
Program Year: April 1, 2013 to March 31, 2014
Program Number: PA002-00000114D and PA002-00000113D

Capital Fund Program
Program Year: April 1, 2013 to March 31, 2014 Program Number:
PA26R002501-08, PA26R002502-08, PA26R002504-09,
PA26P002501-12, PA26P002501-13

Criteria

The amount of salary of public housing authority chief executive officers, other officers, and employees paid with Federal Fiscal Year 2014 Section 8 Housing Choice Vouchers administrative fees and Section 9 Capital and Operating funds may not exceed the annual rate of basic pay payable for a Federal position at Level IV of the Executive Schedule (currently \$155,500) (Section 234 of Pub. L. No. 112-55, 125 Stat. 702, November 18, 2011, PIH Notice 2012-14).

Statement of Condition

Four employees were identified as having received salary in excess of \$155,500 during fiscal year 2014. Their salaries were charged to Section 8 and Section 9 funds. Management asserted that the excess salaries were paid using Section 8 and Section 9 funds carried forward from fiscal year 2011 and earlier, prior to implementation of the salary limits as allowed by PIH Notice 2012-14. However, insufficient evidence was maintained to document the source of funding for the excess salaries and the entire amount of salaries was charged to fund 001 Public Housing Program. The Authority's policy is to post a journal entry to move excess salaries expense to a non-Federal fund; however, this was not done during fiscal year 2014.

Questioned Costs

\$79,555 of salaries in excess of \$155,500.

Cause of Condition

Although Human Resources was tracking and reporting salaries for the top three paid officials, there was no apparent monitoring to ensure that the funds used to pay excess salaries above the \$155,500 limit were sourced from funds other than Section 8 and Section 9 grants.

Recommendation

The Authority should implement policies, procedures, and controls to monitor and clearly document evidence of the source of funds used to pay salaries in excess of program limits.

Philadelphia Housing Authority

**Summary Schedule of Prior Audit Findings
Year Ended March 31, 2015**

Current Status

PHA modified the original corrective action plan to be in line with the requirements of HUD's Notice (Section 4 of HUD Notice PIH-2012-14). As part of the year-end closing, PHA performed an analysis to identify the employees whose salaries exceeded \$155,500 and calculated the impacted salaries that should not be paid out of the Section 8 or 9 funds. PHA ensured that Non-Federal fund (Fund 004) was used to pay for these salaries. This process will be used going forward and is documented in a Standard Operating Procedure.

After recording all the payroll expenses for fiscal year 2015, Finance calculated the salaries in excess of \$155,500 threshold as per PIH-2012-14 and initiated a transfer of funds from Non-Federal (Fund 004) to Operating Fund (Federal) to reimburse the excess salaries initially paid using Federal funds.

Finding No. 2014-005 Reporting: Debt Owed in Enterprise Income Verification

Federal program information

U.S. Department of Housing and Urban Development
CFDA 14.881 Moving to Work Demonstration Program

Section 8 Housing Choice Vouchers
Program Year: April 1, 2013 to March 31, 2014
Program Number: PA002VOW

Public and Indian Housing
Program Year: April 1, 2013 to March 31, 2014
Program Number: PA002-00000114D and PA002-00000113D

Criteria

Per HUD Notice PIH 2010-19 (HA), which was extended via Notice PIH 2013-23 (HA) through September 1, 2014, and Notice TIPS 2013-13, public housing authorities must enter debt and termination information for tenants into the Enterprise Income Verification (EIV) system no later than 60 days from the End of Participation date.

Statement of Condition

25 tenants with balances owed and End of Participation dates during fiscal year 2014 were selected for testing compliance with EIV reporting requirements. Of these, 5 balances (20%) have not been reported to EIV. These tenants had End of Participation dates ranging from April 2013 to September 2013.

Questioned Costs

None.

Cause of Condition

This process of bad debt reporting was reviewed and codified in a Standard Operating Procedure (SOP). The SOP has been finalized and approved, after which training of the appropriate staff was conducted. The Admissions Manager may now access organization-wide Move-Out reports on a monthly basis from the CRM system. This data is then used to update tenant balances in EIV and as a second control, Management now performs a quarterly reviews to ensure that all balances have in fact been updated. None of the exceptions noted were for End of Participation dates prior to October 2013, therefore, it appears the new processes and controls are appropriately designed and are operating effectively.

Philadelphia Housing Authority

Summary Schedule of Prior Audit Findings Year Ended March 31, 2015

PHA continues to contact HUD regarding the correction of the balances cited during the Audit however, to date, HUD has not reopened the client records in EIV for PHA to update accordingly. PHA has formally communicated this issue to HUD on several instances, most recent being in PHA's formal response to HUD regarding this audit.

Recommendation

We recommend that the Authority compare information reported to EIV against information within CRM for tenants with balances and End of Participation dates from April 2013 to September 2013. Any balances that were not appropriately reported under the old processes and controls should be corrected.

Current Status

The Admissions Manager has reviewed all End of Participation transactions currently listed from April 2013 to September 2013 – there are no additional exceptions to the five reported above. For the five exceptions, one has been corrected, and the Admissions Manager has attempted to contact PHA's HUD EIV Coordinator on several occasions for access to enter the balances of the remaining four into EIV. To date, HUD has not been of assistance to resolve this issue. PHA has documented all attempts to communicate with HUD regarding correcting the four remaining exceptions. Additionally, the Compliance Department of OAC developed a Bad Debt Reporting SOP that the Admissions Manager uses to manage this process. The PHA's Admissions Manager is responsible for this task.

Finding No. 2014-006 Debarment and Suspension

Federal program information

U.S. Department of Housing and Urban Development
CFDA 14.881 Moving to Work Demonstration Program

Section 8 Housing Choice Vouchers
Program Year: April 1, 2013 to March 31, 2014
Program Number: PA002VOW

Capital Fund Program
Program Year: April 1, 2013 to March 31, 2014
Program Number: PA26R002501-08, PA26R002502-08, PA26R002504-09, PA26P002501-12,
PA26P002501-13

Criteria

Local governments that are direct recipients of Federal awards and their subrecipients will use procurement procedures that conform to applicable Federal law and regulations and standards identified in the A-102 Common Rule or OMB Circular A-110 (2 CFR part 215), as applicable. Non-Federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. "Covered transactions" include those procurement contracts for goods and services awarded under a nonprocurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR section 180.220.

Statement of Condition

For 60 invoices selected, 13 invoices (21.67%), consisting of 6 organizations, did not have evidence that debarment checks were performed. 4 of these organizations were under contract and 2 of these were vendors providing goods and services through purchase orders (PO). Of these 2 vendors, 1 received payments above the \$25,000 threshold for required debarment checks.

Philadelphia Housing Authority

**Summary Schedule of Prior Audit Findings
Year Ended March 31, 2015**

Cause of Condition

The Authority's policy is to perform debarment checks for all contracts. The Contracts and Procurement Department believes that the debarment checks for the 4 contractors were completed and maintained in separate files; however, these could not be found and provided. The Authority was not performing debarment checks for PO vendors as individual PO transactions are limited to \$18,500 or less. The Contracts and Procurement Department was not aware of the need to consider total payments to a vendor during the year that exceed \$25,000.

Recommendation

Management should ensure that debarment checks are being performed on all contractors and vendors who are expected to receive, in the aggregate, more than \$25,000 from PHA, irrespective of the individual PO amounts. Evidence of this check should be maintained, either in the procurement files or other accessible location.

Current Status

PHA updated its controlled Policy and Procedures#10 in April of 2012. The policy states that PHA will ensure that no contracts will be awarded to any contractor or individual who has been debarred. Additionally in 2012, PHA updated and implemented internal procedures to effectuate this policy. Debarment checks are run by PHA's Supply Chain Department on all vendors in the early stages of the Request for Proposal process. The results are documented in the vendor files.

Effective December 1, 2014, PHA's Supply Chain department began conducting weekly debarment checks on all active vendors in PHA's database. Any vendors determined as debarred will become inactive and will not receive future payments from PHA. The results of each weekly review are forwarded to PHA's Office of Audit and Compliance for review and consideration. Also, the Compliance Department of OAC developed a Debarment Report Log Procedure to document the aforementioned process. This procedure has been finalized and approved as a Standard Operating Procedure, and the appropriate staff has been trained. HUD has received a copy of the approved SOP in response to this finding.

Philadelphia Housing Authority

Corrective Action Plan

Year Ended March 31, 2015

See attached Corrective Action Plan.



Philadelphia Housing Authority
Annual Audit Corrective Action Plan
Year End March 31, 2015

Finding #2015-001 – Reporting – Form HUD-50058

Statement of Condition

Tenant file inspections included 60 files from the HCV program, 68 files from the LPH program, including 8 files from the discrete component units under the LPH program. Out of 60 HCV tenant files inspected, 6 (10%) files had one or more exceptions noted. Out of 68 LPH files inspected, 10 (15%) had one or more exceptions noted. These exceptions involved incorrect Form HUD-50058 reporting to HUD as follows:

Housing Choice Voucher Program

- (a) 2 HCV HUD-50058 forms showed an incorrect birth date for a household member.
- (b) 1 HCV tenant file was not compliant with the requirement to include the Individual Control Number page of the Earned Income Report as evidence of the Earned Income Verification (EIV) check required to be performed to verify \$0 income tenants every 180 days. There were 4 HCV files selected related to \$0 income tenants. The Authority completed the interim HUD Form 50058 and included in a note to the file, but the ICN page was not maintained as the process was being reengineered during the year ended March 31, 2015.
- (c) 2 HCV files excluded deductions in calculation of reasonable rent.
- (d) 1 HCV file included an incorrect unit type in the calculation of reasonable rent.

Low Rent Public Housing Program

- (a) 1 LPH file did not have an annual reexamination filed in a timely manner.
- (b) 3 LPH tenants had changes to income that were not properly updated during reexamination.
- (c) 1 LPH HUD-50058 form reported unallowable income.
- (d) 2 LPH files reported deductions incorrectly in calculation of tenant rent.
- (e) 1 LPH file did not include evidence of timely follow-up action related to a failed criminal background check that was performed upon reexamination.
- (f) 2 LPH HUD-50058 forms showed an incorrect birth date for a household member.
- (g) 1 tenant file for a discrete component unit did not have an annual Housing Quality Standards (HQS) inspection performed for the year ended March 31, 2015.

Questioned Costs

Questioned costs for each of the conditions above:

Housing Choice Voucher Program

- (a) None
- (b) None
- (c) Housing Assistance Payment (HAP) was calculated and paid as \$56 lower for the tenant files for the year ended March 31, 2015.
- (d) HAP was calculated and paid as \$15 lower than it should have been for the year ended March 31, 2015.

Low Rent Public Housing Program

- (a) None

- (b) Rent was undercharged by \$112 for the tenant files with errors noted.
- (c) None
- (d) A net overcharge of rent of \$514 for the tenant files with exceptions noted.
- (e) None
- (f) None
- (g) None

Cause of Condition

The causes of conditions noted were:

Housing Choice Voucher Program

- (a) Data entry errors when populating Form HUD-50058.
- (b) Staff responsible for these files did not follow the Authority's policy requiring re-verification of income for \$0 income tenants every 180 days. Prior year finding was communicated in December 2015 and reinforcement of policy was made at that time, but 180 days had already passed in the fiscal year.
- (c) Authority staff did not follow the authority's policy for the allowable deductions in the Administrative Plan during year ended March 31, 2015. These items were corrected subsequent to year-end.
- (d) Authority staff did not enter unit type into system in accordance with Authority policy during year ended March 31, 2015. This item was corrected subsequent to year-end.

Low Rent Public Housing

- (a) Staff responsible for this file did not properly capture date of reexamination in accordance with the Authority's policy.
- (b) Staff responsible for these files did not follow the Authority's policy for updating income based on information received during the reexamination process.
- (c) System improperly reported income on Form HUD-50058
- (d) Authority staff did not follow the Authority's policy for the allowable deductions under the ACOP for the year ended March 31, 2015 for this file. This item was corrected subsequent to year-end.
- (e) Authority staff did not follow the Authority's policy for timely follow-up when reexamination work is performed. The tenant was eventually evicted subsequent to year-end.
- (f) Data entry errors when populating Form HUD-50058. These errors were corrected subsequent to year end.
- (g) Management of the discrete component unit site did not follow the Authority's policy for annual inspection.

Recommendation

The Authority has established policies and controls which did not operate effectively in these instances. We make the following recommendations:

- Strengthen and expand review of manual data inputs. The scope of current review procedures were not sufficient to detect and correct the manual errors noted.
- The Authority implemented a process to identify tenant files that were for due for EIV check due to \$-0- income subsequent to prior year audit finding. The Authority should verify that this process is operating as designed.

- Reinforce training on policies regarding timeliness of reexaminations, allowable deductions, calculation inputs and documentation that should be maintained within tenant files.

Corrective Action Plan

As a result of last fiscal year's audit findings, the LPH Program and the HCV Program expanded and strengthened its processes to comply with internal and external audits, HUD's rules and regulations, and PHA's policies and procedures.

Housing Choice Voucher Program

The HCV Program provided extensive and intense training to its entire staff to further enhance manual data inputs, reinforcement of policies, and the detection of errors. The training included but was not limited to topics such as: 50058 consistencies with client file, Verification Hierarchy, Upfront Income Verification (UIV), Income Verification Review, Timeline of Recertifications, Zero Income, among other items. Moreover, the HCV Program has ongoing training throughout the year for reinforcement of guidelines.

Out of the six (6) noted exceptions, five (5) of six (6) or 83% of the exceptions were detected, identified and corrected by the HCV Program internal control compliance review process prior to releasing the files for review, providing PHA assurance that the HCV Program internal control systems are working effectively and as intended.

In particular, one file in question was cited for an Enterprise Income Verification (EIV) 180-day review of zero income tenants, and was in correlation with a prior year exception noted by McGladrey. As a result of this prior year exception, the HCV Program conducted an extensive internal review of all of its zero income families, made corrections where required, and documented the tenant files accordingly. The updated 50058 (effective 7/1/2014), the EIV printed (1/15/2015) effective 7/1/2014 and the system note that the EIV verification for the 180 zero income check was completed for this particular file serve as evidence that the appropriate 180-day review was performed as required.

Low Rent Public Housing

Beginning in March of 2013, various training on LPH Program rules, procedures and regulations was conducted and professional certification is now required for all employees who determine eligibility, lease clients, recertify, determine rent, and conduct inspections for the program; Employees were certified as Public Housing Management Specialists, and the certification is required to remain employed as a Property Manager. Included within these sessions was training on recertification, interim recertification, and rent calculation (including deductions and utility allowances). Additionally the LPH Program hired two Public Housing Compliance Specialists to assist with program compliance monitoring.

Similar to the HCV Program, over the last fiscal year, the LPH Program provided extensive training to management staff around manual data inputs, reinforcement of policies, and the detection and correction of errors. Currently there are mechanisms in place to assist managers with annualizing income correctly and performing rent calculation accurately. Additionally, there are checklists, reports, dashboards, and ticklers in place to assist with tracking Recertifications.

Nine (9) of the 11 items cited are as a result of data entry errors – the property management staff responsible for the errors have all been trained on the governing policies and procedures to accurately perform their job functions. Accordingly, these individuals have been held accountable for their errors

according to PHA's disciplinary policy, up to and including termination. PHA is committed to continually providing Property Managers the training and support needed to maintain accurate files. Additionally, each error has been corrected and the appropriate rent credits have been adjusted where due.

For the one (1) exception listed as "HUD form 50058 reported unallowable income," the household contained a live-in-aid whose income was correctly excluded from the income determination and the rent calculation for the household. The live-in-aid income was incorrectly populated on the 50058 because of an isolated system anomaly with this particular file. PHA's IT Department has researched this anomaly, resubmitted the correct 50058 for this file and assured that no other files with live-in-aid income have this issue.

There was one (1) tenant file for a discrete component unit noted as not having an annual HQS inspection performed for the year ended March 31, 2015. This unit in question is located at one of PHA's alternatively-managed properties, which are developments managed by a third-party. PHA will provide official notice regarding this finding and remind the management entity of the importance of maintaining accurate inspection files for every annual inspection.

All noted findings for both programs have been corrected.

