



Philadelphia Housing Authority  
Building Beyond Expectations

## ANNUAL REPORT 2008



PROGRESS UNABATED

# CONTENTS

Executive Director's Message 5

Mayor's Message 7

Homeownership Unabated 8



Development Unabated 10

Moving to Work 16

A New Direction 18



New Relationships Make History 20

Awards 22

Board of Commissioners 26

Financials 28

# PROGRESS UNABATED

**Nothing.** Not the real estate bust. Not the stock market decline. Not a decrease in federal funding for affordable housing **has stopped PHA** from:

Constructing new housing

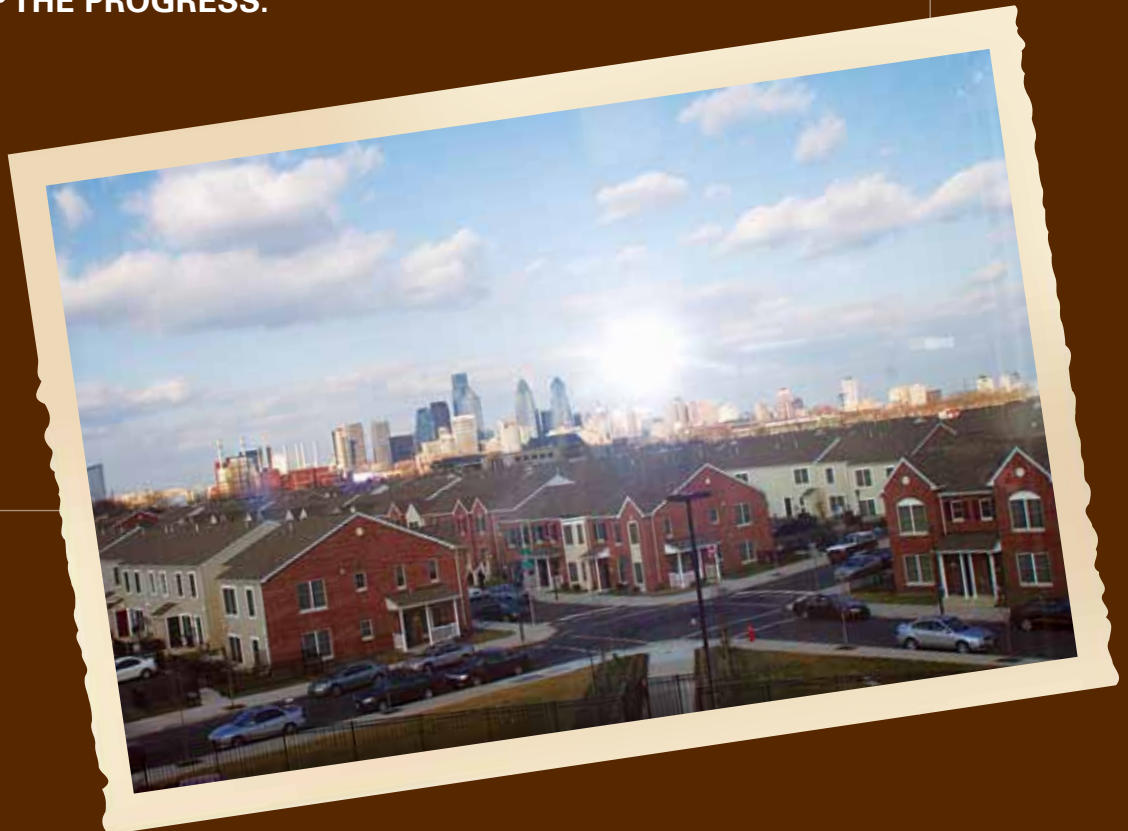
Creating new homeowners

Transforming neighborhoods

Rebuilding lives

2008 has been **another landmark year** for the Philadelphia Housing Authority.

**NOTHING CAN STOP THE PROGRESS.**



# 2008: A YEAR TO REMEMBER





## EXECUTIVE DIRECTOR'S MESSAGE

Two high points stand out in my mind in 2008 - the implosion of Mantua Hall and the grand opening of Nellie Reynolds Gardens. These two events – one on a sunny Sunday morning, the other on an overcast November day – captured the essence of “creative destruction” that has defined the past decade at PHA. The term, coined in the 1940’s, refers to the process of continuously replacing the obsolete with something new and better.

Mantua represented a dying, failed breed of high-rise public housing. A modern low-rise community will replace it. Nellie Reynolds Gardens, with its spectacular atrium and adult daily living center, makes a bold statement that PHA recognizes the aging population we serve and is committed to ensuring that low-income seniors have high quality housing choices.

PHA’s ability to maintain its course through good and bad economies reflects this organization’s ability to adjust to changing circumstances. And we’re not the only ones crowing about PHA’s accomplishments. In 2008, PHA became the first housing authority in the nation to receive an agency-wide credit rating from Standard and Poor’s, which gave us a strong investment grade. Ironically, the “criticism” in the report stated that we invested too much of our money back into our product – new public housing – rather than holding more cash in reserve. That’s a criticism to which we happily plead guilty. Our goal is to responsibly rebuild as many neighborhoods as we can, as quickly as we can.

We also found a way in 2008 to make \$23 million in badly needed upgrades at our older sites.

Items such as energy-efficient windows and doors will make life more secure and comfortable for our customers and save us money on our ever-increasing energy bills.

For all the outstanding work done in our construction and property management areas, perhaps our greatest achievement is the smooth and silent operation of our Housing Choice Voucher program. It’s a tribute to our managers, inspectors, investigators, and quality control team that the voucher program can be successfully operated and accepted in an older row house city like Philadelphia.

We continue to look for new and better ways to manage PHA every day. But we couldn’t have accomplished all that we have without a wide network of private industry and government partners. I want to pay special tribute this year to Pennsylvania’s two U.S. senators, Arlen Specter and Bob Casey Jr. They used the power of their offices and their passion for public service to settle a potentially severely damaging dispute between PHA and HUD. Thanks to them, PHA can continue to make progress unabated.

Sincerely,



**Carl R. Greene**

*PHA Executive Director*



# STRENGTHENING THE BOND



## MAYOR'S MESSAGE

**Dear Citizens of Philadelphia,**

2008 brought with it a wonderful new spirit of cooperation between the City of Philadelphia and the Philadelphia Housing Authority.

No single initiative brought that point more into focus than our partnership to fight homelessness. The city and PHA joined forces to make 700 houses and apartments available to the program, which moves homeless individuals and families from temporary housing into permanent homes. By year's end 180 individuals and families had moved into permanent homes and many more had been approved and were to be housed shortly.

PHA and the City also announced the creation of a new city park in the Hawthorn community just south of Center City. PHA had previously rebuilt the neighborhood by redeveloping Martin Luther King Plaza. Now, this beautiful urban park will provide a centrally located green space for families from the entire community. Construction begins in 2010.

The collapse of the U.S. economy in 2008 has created a challenge that we are all coping with, trying to find new ways to provide essential services as efficiently as possible. PHA has

dramatically reduced its workforce, primarily by investing in technological systems that have allowed employees to become more productive and more accountable. At the same time, the agency continues to build quality housing and serve its customers well.

Keeping PHA strong and viable is more important than ever given the times we are living through. With many middle class families falling on hard times it might be easy to forget about the low-income seniors, disabled and struggling families served by PHA. But a great city must provide a level of security for citizens at all income levels.

I look forward to strengthening the bond between PHA and City agencies even further in 2009. Working as a unified team we have already demonstrated we can accomplish great things and help more people in more communities.

Best regards,



**Michael A. Nutter**  
*Philadelphia Mayor*



# HOMEOWNERSHIP UNABATED





As hundreds of thousands of people face foreclosure in the wake of the real estate bust, homebuyers who purchased their homes through PHA's Homeownership program remain untouched by the storm.

PHA continues to build and sell quality homes to low and moderate-income buyers. PHA helps both current residents and non-residents with incomes less than \$57,000 purchase these beautiful new homes by helping them with financial counseling, down payment assistance and mortgage supplements.

In 2008, 102 families purchased homes through the program, including new PHA homes at Ludlow, which are virtually sold out. Falls Ridge, Martin Luther King and Lucien E. Blackwell Homes all offer low-income buyers the opportunity to own a brand new home, complete with modern amenities.

PHA also works with Housing Choice Voucher recipients, who may be eligible to use their vouchers to make their mortgage payments after completing PHA's Homebuyers Workshops.

Since the program's inception, 947 have purchased homes through PHA and none of them has defaulted. The reason for this success is simple:

PHA's mandatory pre- and post-purchase counseling program puts residents on a solid financial footing before they apply for a mortgage.

The Homeownership program is an integral part of PHA's mission that includes revitalizing and stabilizing city neighborhoods. The goal is to train residents and others for homeownership, so that they can become self-sufficient.

PHA works with financial institutions such as Citizens Bank, Wachovia, Sovereign Bank, and TD Banknorth, along with housing counseling agencies, and realtors to fully educate potential homebuyers. PHA provides both one-on-one and group workshops for potential buyers. Those who attend the workshops learn about financial planning, credit review and repair, affordability, getting pre-qualified for a mortgage loan, and identifying real estate agents, among other things. They also learn about matching fund plans that help them save towards their down payment.

Most families want to own their own homes. PHA tries to help as many people as possible attain that dream through quality construction and financial education.

# DEVELOPMENT UNABATED



## NELLIE REYNOLDS GARDENS

What real estate bust? At PHA, 2008 was another landmark year. We continued to implode our obsolete high-rise towers. We opened two new sites for rental and homeownership and cut the ribbon for a spectacular senior building. And we're already planning two new openings for 2009.

PHA's strong commitment to both energy conversation and housing the elderly converged in November with the opening of Nellie Reynolds Gardens – a 64-apartment senior building in North Philadelphia crowned by a sunlit atrium filled with plants and greenery.

Nellie Reynolds Gardens represents the new generation of senior living. This is PHA's third site combining public housing for seniors with elder care services. A partnership between PHA and the Pennsylvania Department of Public Welfare will enable seniors to receive personal care services and adult day care on site. Seniors who may have had to choose nursing home care can live independently in their own apartments. It costs considerably less to subsidize low-income

seniors in a building such as this than at a nursing home.

Nellie Reynolds Gardens is as green as the garden it replaced. A 240,000 square foot "green roof" with natural vegetation will keep the building warmer in winter and cool in the summer months. The roof has between five and ten species of Sedum plants that will eventually form a three-inch deep carpet. The thirsty plants will drink up rainwater, preventing run-off into the city sewer system, thus saving tax dollars.

PHA has installed Energy Star appliances and fixtures, used recycled or "Green Label" carpet and environmentally friendly paints, primers, and caulking to help preserve air quality in the three-story building, which covers 85,000 feet.

Eight of the apartments are wheelchair accessible, and all the rest are handicap adaptable. All apartments include wall-to-wall carpeting, air conditioning, dishwasher, refrigerator and washer-dryer hook-ups.

# LUDLOW

## Rental

Scattered throughout a 22-square block section of the Ludlow neighborhood, just south of Temple University, are 89 brand-new PHA rental homes. Once a desolate landscape of derelict houses and vacant lots, the neighborhood has been revived by PHA's new development. In fact, conditions have improved so much that market-rate housing is now sprouting up in this formerly distressed community.

Ludlow Homes is another example of PHA using a combination of public and private funds for community construction. MMA Financial is the private investor in this case. Approximately 50 percent of the funding comes from private investors through the Low Income Housing Tax Credit program.

The new site also represents PHA's commitment to the disabled community. More than 20 percent of the rental homes are wheelchair accessible. The federal requirement is five percent.

## Homeownership

What kind of a house can you buy if you only earn \$57,000 a year? You'd be amazed. At PHA's Ludlow Homes site, \$57,000 is the maximum a family can make to qualify to purchase one of 50 brand-new homes.

The homes, which range up to four bedrooms, have central air-conditioning, wall-to-wall carpeting and off-street parking.

Studies show that when PHA builds a new community, values of the properties near the PHA site rise significantly faster than city values overall.

Just as market values go up in PHA's rebuilt neighborhoods, Philadelphia Police statistics show that crime plummets. Philadelphia District Attorney Lynne Abraham commented at the Ludlow Grand Opening. "I am here to celebrate this next crime-free neighborhood because that's what it's all about. Homeownership and real interest in the community make crime go way down."



## MARSHALL SHEPARD VILLAGE

Anyone visiting the formerly crime-ridden neighborhood near 41<sup>st</sup> and Wallace Streets in West Philadelphia might not believe their eyes. The Philadelphia Housing Authority has turned the community into a safe and sparkling place.

PHA has invested upwards of \$200 million over the past several years building hundreds of homes in

the neighborhood. Most are rentals for low-income families, but the community also includes 140 homes sold to families of moderate incomes.

Marshall Shepard includes 80 rental homes, 20 of which are completely handicap accessible.



## WARNOCK STREET

Once again, PHA will transform a forgotten strip of North Philadelphia land into a thriving neighborhood. In two phases of construction, PHA will build 50 rental homes and a 45-apartment senior building in the community adjacent to the 2800 block of Warnock Street.

The affordable rental homes, scheduled to open in Fall 2009, will consist of a mixture of walk-ups and town homes, ranging from one to four bedrooms. PHA will also beautify the community by planting trees and greenery and adding new street lighting.

The senior building will be PHA's second green building. Like Nellie Reynolds Gardens, the three-story building will have a green roof, Energy Star appliances, compact fluorescent light bulbs and ceiling fans.

The building will offer one and two bedroom apartments, plus a laundry room, computer lab and lounge spaces – everything seniors need to be comfortable.



## COMING IN 2009

### Mantua Square

PHA imploded one of the last of the dinosaurs – North Philadelphia's 18-story Mantua Hall high-rise in March 2008. High-rise housing sites were a 60s model that proved to be breeding grounds for crime and other social problems. PHA has been imploding them one by one and replacing them with attractive low-rise housing.

Mantua Square will be no exception. The first 50 units, commercial space, community room and 90 parking spaces are slated for completion in 2009. The new Mantua Square will feature 3-story homes built around a secure central parking lot. Each home will have a separate entrance, a small front yard and the usual PHA amenities: wall-to-wall carpeting, central air conditioning, modern kitchens, and washer/dryer hook-ups.

By the time Phase 2 is finished, there will be 101 one, two and three-bedroom homes. As part of PHA's commitment to providing accessible housing, 22 of these will be wheelchair accessible – almost 25 percent.

### Everything old is new again!

As exciting as it is to watch new construction arise, PHA is not neglecting our existing properties. In 2008, PHA invested \$23 million in site repairs and upgrades. The agency has gone back to the basics of property management to make its developments sparkle and give residents homes they can be proud of. As part of PHA's monthly performance management training for property managers, teams of managers visited properties across the City to analyze the current state of the sites. The managers then recommended ways to improve public housing properties so residents and the surrounding neighborhood can benefit.





# MOVING TO WORK





On October 16, a two-year cloud was removed from PHA's collective head with the signing of a 10-year extension of our Moving to Work agreement.

PHA was one of the first housing authorities to participate in HUD's Moving to Work program. For seven years, the agency thrived, largely due to the fiscal flexibility made possible by MTW.

Moving to Work allowed PHA to break away from one-size-fits-all public housing rules from Washington to create programs that work best for Philadelphia. For example, PHA is able to use Housing Choice Voucher funds to create new public housing or to provide job training for clients, something not permitted under standard public housing procedures.

During its tenure under MTW, PHA imploded its antiquated high-rise towers and built low-rise suburban-style housing in its place. Like a rising tide, the new developments lifted the economic status of the communities surrounding them. PHA also used MTW to fund training programs to move residents up the economic ladder. Utilizing the flexibility granted by MTW, PHA became a model for housing authorities throughout the country.

One would think that such a successful program would be automatically continued, but it wasn't that easy.

When it came time to renew the original plan, HUD insisted on making changes. PHA fiercely objected to a provision called "asset management," which, in effect, says each public housing site must make a profit. Although PHA management still believes this idea is unworkable for public housing, the agency is putting its own asset management system in place.

Next, HUD declared that PHA did not provide enough wheel-chair accessible housing. PHA filed suit over this finding, saying HUD was using the accessibility issue as an excuse to punish PHA. Executive Director Carl Greene had refused to give land at the Martin Luther King site to music mogul Kenny Gamble, now a private housing developer, favored by then-HUD Secretary Alphonso Jackson.

PHA's lawsuit unearthed other instances of cronyism and corruption under Jackson's tenure at HUD. Jackson resigned under investigation in April, and the new HUD secretary, Steve Preston, was determined to resolve the problem. After reviewing the facts, not only did Mr. Preston give PHA the ten-year extension, he came to Philadelphia to help PHA celebrate the grand opening of Nellie Reynolds Gardens. It is clear that PHA and HUD are again rowing in the same direction – and MTW is here to stay.

# A NEW DIRECTION



With the grand opening of Nellie Reynolds Gardens in November, PHA took another step towards providing full services to help seniors remain healthy and independent. As the over-60 population continues to be the fastest growing age group in the country, PHA is stepping up services to meet more than their housing needs.

For active seniors, PHA has long provided outings, health fairs, and social activities. At two locations – Germantown House and Greater Grays Ferry Estates – PHA offers LIFE (Living Independently for Elders) programs for nursing home eligible seniors over 60 who wish to remain in their own homes. The agency partners with New Courtland Elder Services at Germantown House and with Mercy LIFE at Grays Ferry – both experienced healthcare providers. About 100 residents participate in the program.

Seniors receive supportive services, including home health care, personal care support, prescription coordination and therapies along with

recreational activities. Medicare and/or Medicaid cover the medical services.

In 2008, PHA laid the groundwork for the opening of its first adult day care center, housed on the first floor of the Nellie Reynolds Gardens Building. The center – scheduled to open this spring – will provide social and support services for the frail elderly living at home. Seniors can spend as many or as few days as they chose at the center. Their children and spouses will be free to work and run errands, knowing that their family members are safe and cared for.

Participants must be nursing home eligible and Medicaid eligible to participate.

In 2009, PHA will also be offering housekeeping services for seniors who need assistance in their homes. As the PHA resident population ages, the agency will be adapting along with them and moving in new directions to serve them better.

# NEW RELATIONSHIPS MAKE HISTORY





PHA began and ended 2008 by establishing historic relationships that expanded service in the Housing Choice Voucher program to physically disabled people and homeless veterans.

The agency signed an agreement with Liberty Resources, Inc., (LRI) in January that allocated 100 vouchers to the disabled, allowing them to move out of nursing homes and into wheelchair accessible private housing.

On Veterans' Day 2008, the agency handed out the first five vouchers to homeless veterans as part of a partnership with the Veterans Administration to offer 105 vouchers to homeless veterans.

Both programs help people in need live independently and with dignity.

PHA worked with the Pennsylvania Department of Public Welfare to make the program for the disabled possible. Apartments with accessibility features cost more to rent, so the vouchers under this program carry a higher value than standard vouchers.

Still, Secretary of Aging John Michael Hall says the state will actually spend thousands of dollars less on funding the special vouchers than it now does to pay for nursing home care.

The program is an example of great public policy – improving the lives of the physically disabled,

serving them with compassion, and saving taxpayer dollars at the same time.

The program aids those veterans who are homeless, have mental or physical illnesses, and are enrolled in a treatment or case management program. The vets pay the security deposit for the apartment, but the VA helps them acquire furniture for their new homes.

Until the new Housing Choice program started, many vets lived in transitional housing. Moving these men and women into private housing allows other homeless individuals to get off the streets and get a roof over their heads.

The arrangement between PHA and the Veterans Administration complements other programs in Philadelphia that help homeless people get into homes of their own, making the city a national leader in dealing with homelessness.



# AWARDS



Boys & Girls Club partnership with PHA was recognized with PAHRA award.

In 2008, PHA again gained recognition for quality work from its industry peers.

Falls Ridge homeownership was among the finalists for the fourth annual Readers' Choice Awards handed out by *Affordable Housing Finance* magazine.

Falls Ridge was one of 32 finalists picked from 135 entries nationally. The competition was intense and the magazine's editors acknowledged as much. The development received publicity in both the print and online editions of *Affordable Housing Finance*.

The magazine, in its review of the development, said PHA had an aesthetic and social vision for the redevelopment of the old Schuylkill Falls public housing site. It also noted that no major crimes have occurred at Falls Ridge over the past three years.

PHA's Ludlow homeownership development won the *Townhome of the Year* award for homes costing less than \$500,000 from the Building Industry Association of Philadelphia (BIA).

BIA is a leader in the real estate development industry that, among other things, promotes reinvestment in city neighborhoods and expanding the market for all housing.

"The judges were extremely impressed with both the affordability of the homes offered and more importantly, the high quality in which the homes were constructed. The size of the bedrooms, backyard, garage and common areas

all exceeded our expectations," said Eustace Mita, of Achristavest, an upscale development company based in suburban Chester, PA, one of the judges.

David Hitt of Splatt Productions, who also judged the awards, said PHA is spurring renewal and redevelopment of city neighborhoods, creating a sense of community and reaffirming the importance of city living.

The Philadelphia Tribune again recognized PHA Executive Director Carl Greene as one of Philadelphia's Ten Most Influential African-Americans in 2008. The newspaper noted that under Greene's leadership, PHA has emerged as a leading real estate developer, building communities that are driving up property values in inner city Philadelphia communities.

The Housing Authority Insurance Group (HAIG) recognized PHA as tops in the nation in reducing insurance claims. PHA received the largest dividend check given to any housing authority in the country – a whopping \$541,662.

The Pennsylvania Association of Housing and Redevelopment Authorities (PAHRA) gave one of its Best Practices awards to PHA for the Falls Ridge homeownership development. PAHRA also recognized the agency with Certificates of Achievement for the June Street Homes modernization and the PHA/Boys & Girls Clubs after school program at two community centers.

## PHA AWARDS YOUNG ARCHITECTS

This year, for the first time, PHA gave out its own award. Judges selected Jibe Design, one of four firms of young Philadelphia architects that submitted designs in a competition to rehabilitate the 800 block of Markoe Street. Markoe is one of the remaining blocks to be rebuilt in the Lucien E. Blackwell development in West Philadelphia.

The winning entry used the existing facades of houses on the block as much as possible and emphasized reuse of existing materials. Lead architect Julie Whelan's plan redesigns the interiors according to modern standards with better lighting, better layout, and no loss of comfort or design excellence.

KBAS, LLC was the runner-up in the competition

with its entry, Philly Box Set. The design utilizes prefabricated parts, making it more cost effective to build. The plan also incorporated green ideas, such as a roof deck that acts as a collector of storm water that could be used for planting. The buildings in the Philly Box Set would have interchangeable components, with the architects recommending that any walls be built out of three-inch thick bamboo.

The competition focused on more than just the look of affordable housing. The architects had to consider issues that affect all sectors of housing such as cost, the environment, and energy savings.

Moto DesignShop and Marshall-Moreno, Mattioni & McKinney also participated in the competition.





The Philadelphia Housing Authority (PHA) had an aesthetic and social vision for the redevelopment of the Schuylkill Falls public housing site.

The authority wanted to take advantage of the natural beauty of the hilltop site, overlooking the historic Schuylkill River and Falls River Bridge.

But more important, the PHA sought to integrate the new public housing units into the surrounding community, which includes an exclusive section of Philadelphia that boasts Governor Ed Rendell and Senator Arlen Specter among its residents.

The old public housing site, Schuylkill Towers, was a walled-off community with inward-facing courtyards isolated from the surrounding neighborhoods. The two high-rises opened in 1955 but had been vacant for 10 years before being demolished in 1996.

In 1997, the PHA received a \$26 million federal HOPE VI grant to redevelop the site.

"We're trying to create the kind of architecture that gives us more of a connection into the broader community," said PHA CEO Carl Greene.

In August 2007, the PHA put the finishing touches on the decade-long revitalization plan when it completed Phase II of the Falls Ridge development, consisting of 28 affordable homeownership units. The homes, available to families earning up to \$43,000, were sold in just 30 days, and nine of the buyers were previous PHA tenants. Phase II was financed through more than \$3.8 million of the HOPE VI grant and a more than \$2.8 million line of credit from Wachovia Bank.

# AFFORDABLE HOUSING

## FINANCE

**SPECIAL ISSUE:**  
VOTE FOR THE NATION'S TOP AFFORDABLE HOUSING DEVELOPMENTS

**Reintegrating Public Housing**  
BY JERRY ASCIERTO

**READERS' CHOICE AWARDS**  
— 2007-2008 —

**HOMEOWNERSHIP FINALIST**

The Philadelphia Housing Authority's Falls Ridge development connects public housing with a broader upscale neighborhood.

PHILADELPHIA Federal HOPE VI grant to redevelop the site and 12,000 square feet of commercial space. Another phase, consisting of 128 market-rate units, is being developed by Westrum Development Co. Westrum will donate six units to the PHA as affordable homeownership units.

PHILADELPHIA Federal HOPE VI grant to redevelop the site and 12,000 square feet of commercial space. Another phase, consisting of 128 market-rate units, is being developed by Westrum Development Co. Westrum will donate six units to the PHA as affordable homeownership units.

### AFFORDABLE HOUSING FINANCE MAGAZINE - AUGUST 2008

The PHA completed Phase I in 2004, which includes 135 affordable rental units and 12,000 square feet of commercial space. Another phase, consisting of 128 market rate condominiums located in the same subdivision as the affordable units, is being developed by Westrum Development Co. Westrum will donate six units to the PHA as affordable homeownership units.

Income mixing was an important part of the PHA's vision. "The public housing development is really the gateway, when you come off of the main thoroughfare, to a trendy, middle- to upper-income neighborhood," said Greene. "The first thing you see when you enter the neighborhood is a brand-new public housing development."

The early returns are extremely positive. Where the Schuylkill Falls public housing development was rife with crime, no major crimes have occurred at the redeveloped site over the past three years.

## REINTEGRATING PUBLIC HOUSING

# BOARD OF COMMISSIONERS



JOHN F. STREET  
CHAIRMAN



CARL R. GREENE  
EXECUTIVE DIRECTOR

NELLIE W. REYNOLDS  
COMMISSIONER



JANNIE L. BLACKWELL  
COMMISSIONER



DEBRA BRADY  
COMMISSIONER



PATRICK J. EIDING  
COMMISSIONER



# FINANCIALS

## STATEMENT OF NET ASSETS - MARCH 31, 2008

	Primary Government	Component Units
<b>Current Assets</b>		
Cash	\$65,339,499	\$5,256,100
Investments	107,176,904	-
Receivables, net:		
Tenants	381,023	196,674
Due From Other Governments	26,555,796	1,490,175
Other Receivables	3,897,625	105,597
Other Current Assets	2,460,649	969,224
Total Current Assets	205,811,496	8,017,770
<b>Noncurrent Assets</b>		
Mortgage Receivable	206,633,391	-
Restricted Cash and Investments	9,048,866	28,842,694
Capital Assets, Net of Depreciation	571,002,060	400,188,269
Other Assets	25,311,593	3,237,806
Total Noncurrent Assets	811,995,910	432,268,769
<b>TOTAL ASSETS</b>	<b>\$1,017,807,406</b>	<b>\$440,286,539</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$25,947,177	\$17,844,599
Due to Other Governments	1,285,312	128,518
Compensated Absences	4,139,849	-
Trust and Deposits	825,951	449,183
Deferred Credits and Other Liabilities	22,689,588	2,812,075
Current Portion of Long-Term Debt	5,067,474	15,380,000
Total Current Liabilities	59,955,351	36,614,375
<b>Noncurrent Liabilities</b>		
Compensated Absences	2,729,062	-
Long-Term Debt	76,756,296	245,799,960
Other Long-Term Liabilities	8,759,481	22,762,048
Total Noncurrent Liabilities	88,244,839	268,562,008
<b>TOTAL LIABILITIES</b>	<b>\$148,200,190</b>	<b>\$305,176,383</b>
<b>Net Assets</b>		
Invested in Capital Assets	\$489,178,290	\$139,008,309
Restricted	6,054,267	-
Unrestricted	374,374,659	(3,898,153)
Total Net Assets	869,607,216	135,110,156
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$1,017,807,406</b>	<b>\$440,286,539</b>

**STATEMENT OF REVENUES, EXPENSES AND CHANGES  
IN NET ASSETS - YEAR ENDED MARCH 31, 2008**

	<b>Primary Government</b>	<b>Component Units</b>
<b>Operating Revenue</b>		
Tenant Revenue	\$20,808,716	\$7,315,976
Operating Subsidies	350,116,533	7,162,551
Other	15,046,229	801,838
Total Operating Revenue	385,971,478	15,280,365
<b>Operating Expenses</b>		
Administrative	71,583,928	5,036,947
Tenant Services	3,175,807	270,966
Utilities	30,620,800	2,830,888
Maintenance	75,227,910	4,020,632
Protective Services	6,805,859	253,719
General	25,611,124	2,663,160
Housing Assistance Payments	99,265,066	-
Depreciation and Amortization	49,324,656	12,247,739
Total Operating Expenses	361,615,150	27,324,051
Operating Profit (Loss)	24,356,328	(12,043,686)
<b>Non-Operating Revenue (Expenses)</b>		
Interest and Investment Earnings, Net of		
Capitalized Interest of \$59,833	12,228,913	712,097
Gain on the Sale of Capitalized Assets	(1,147,755)	-
Interest Expense, Net of Capitalized		
Interest of \$3,871,459	(1,545,818)	(3,579,278)
Net Nonoperating Revenue	9,535,340	(2,867,181)
Profit (Loss) Before Capital Grants	33,891,668	(14,910,867)
<b>Capital Grants</b>	<b>21,466,529</b>	<b>-</b>
Change in Net Assets	55,358,197	(14,910,867)
<b>Net Assets at Beginning of Year</b>		
As Previously Reported	809,853,967	83,891,745
Prior Period Adjustments	(177,987)	40,312,873
As Restated	809,675,980	124,204,618
<b>Capital Contributed</b>	<b>4,573,039</b>	<b>25,816,405</b>
<b>NET ASSETS AT END OF YEAR</b>	<b>\$869,607,216</b>	<b>\$135,110,156</b>



# APPRECIATION UNABATED







*"PHA's ability to maintain its course through good and bad economies reflects this organization's ability to adjust to changing circumstances."*

- Carl R. Greene



**Philadelphia Housing Authority**  
Building Beyond Expectations

12 South 23<sup>rd</sup> Street, Philadelphia, PA 19103

215.684.4000 *phone* | 215.684.1212 *fax* | [www.PHA.PHILA.gov](http://www.PHA.PHILA.gov)