

Philadelphia Housing Authority



MOVING TO WORK ANNUAL REPORT

**PHA FISCAL YEAR 2014
APRIL 1, 2013-MARCH 31, 2014**

June 26, 2014

Philadelphia Housing Authority

Moving to Work Annual Report – Fiscal Year 2014

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I. INTRODUCTION

This Annual Report provides information on activities undertaken by the Philadelphia Housing Authority (PHA) under the Moving to Work Demonstration Program (MTW) during Fiscal Year 2014, i.e. the period from April 1, 2013 to March 31, 2014. The format and required content of this Report are defined by the U.S. Department of Housing and Urban Development (HUD) in the revised Form HUD 50900.

PHA has been an MTW agency since April 2001. Pursuant to the Amended and Restated MTW Agreement (MTW Agreement) executed in October 2008, and subsequently amended twice to allow for “broader uses of authority” and use of Replacement Housing Factor Funds in the MTW Block Grant, PHA will continue to be in the MTW Demonstration through Fiscal Year 2018. The MTW Agreement describes both the authorities granted to PHA under MTW and the requirements for participation. Recently, HUD has announced its intention to extend MTW Agreements for an additional ten years, i.e. through Fiscal Year 2028, provided that MTW agencies meet specified voucher program leasing/budget utilization targets. PHA intends to meet these utilization targets in FY 2015 and to request a ten year extension of the MTW Agreement.

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 in order to design and test approaches for providing housing assistance that address one or more of the following MTW 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.

In addition, the MTW Agreement allows PHA to combine its three main HUD funding sources (Public Housing Operating Fund, Capital Fund and Housing Assistance Payments) into a single MTW Block Grant that can be used flexibly for any and all MTW authorized purposes. The Block Grant funding flexibility allowed under the MTW Agreement impacts most areas of PHA operations.

MTW Long-Term Goals and Objectives

During the first year of the MTW program, PHA established five (5) broad objectives for its long-term MTW implementation efforts. These objectives are:

- 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.

These broad objectives continued to provide a high-level framework for PHA’s implementation of the MTW Demonstration during Fiscal Year 2014, augmented by a continued focus on implementing the highest ethical standards, ensuring transparency and accountability in all operational areas, re-establishing public trust in PHA, and operating effectively and efficiently in an era of diminishing Federal resources

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. PHA’s focus on the “home front” emphasizes the need to strengthen people, property and partnerships. Twelve interrelated priorities have been established to guide both future MTW activities and PHA’s overall management strategy. These priority areas are:

1. Improve performance in core business operations
2. Assess, preserve and diversify PHA’s affordable housing portfolio
3. Implement a comprehensive scattered site repositioning strategy
4. Enhance resident safety and security
5. Implement resident and community-based approaches to services, training and jobs
6. Expand public, private and philanthropic partnerships
7. Strategically allocate vouchers to support overarching housing strategy
8. Create a management business model that is data-driven and high performing
9. Enhance use of information technology
10. Monitor compliance and enhance internal controls
11. Rebrand PHA as a good neighbor, employer of choice and reliable partner

12. Enhance affiliate/subsidiary operations to support community revitalization

Ongoing and future MTW initiatives will be designed to enhance and support these priority areas. Further, in Fiscal Year 2015, PHA will embark on a Strategic Directions planning process that may result in further refinements to its overall long-term MTW strategy.

MTW Initiatives and Accomplishments in FY 2014

PHA uses its MTW regulatory and Block Grant flexibility to undertake a wide range of activities that impact virtually every facet of the organization. The following are highlights of PHA's MTW initiatives and accomplishments in FY 2014:

- ***“6 in 5” Program*** –PHA has established a program to create or preserve 6,000 affordable housing units over a five year period subject to funding availability. The “6 in 5” Initiative involves an array of development strategies including PHA-developed projects, collaboration with the Pennsylvania Housing Finance Agency to ensure the long-term affordability of Low Income Housing Tax Credit properties, and collaboration with the City, non-profits and local developers on new construction, acquisition and substantial rehabilitation projects. PHA implemented this development activity using its MTW funding and administrative flexibility. PHA made significant progress on this initiative in FY 2014 including issuing a Request for Proposals that generated proposals for over 1000 units of affordable housing; selecting developer proposals; and, conducting other pre-development activities at Blumberg, Queen Lane, Queen’s Row, Markoe Street and two third party developed sites as summarized below.
- ***Blumberg Neighborhood Revitalization*** – As part of the “6 in 5” Initiative, PHA is planning the comprehensive redevelopment of the distressed Blumberg Apartments complex and the adjacent Blumberg/Sharswood neighborhood. The redevelopment effort will use various public and private funding sources including MTW Block Grant funds to demolish two of the three existing towers, create approximately 200 new housing units, develop new streets and rehabilitate the senior tower. In FY 2014, four significant developments occurred to spur this effort on: 1) PHA secured a \$12.6 million, 9% Low Income Housing Tax Credit award to partially fund 57 housing units as part of Phase I of the overall Blumberg Neighborhood Revitalization; 2) PHA secured HUD funding for a \$500,000 Choice Neighborhoods Planning Grant to help fund a comprehensive neighborhood-wide planning process; 3) PHA finalized plans to redevelop the senior tower at Blumberg; and 4) PHA’s Board approved an inter-agency agreement with the City of Philadelphia’s Redevelopment Authority for the condemnation of approximately 700 privately-held properties that will be used by PHA as replacement housing. In early FY 2015, PHA expects to approve construction contracts to begin construction on the 57 units contained in Phase I.
- ***New Veterans Housing*** – In FY 2014, the PHA Board approved a contract with Impact Services Corporation to provide MTW subsidies for 26 units of housing for veterans and their families, located in a converted factory building on East Allegheny Avenue. Construction is underway, with occupancy expected in FY 2015.

- ***New Senior Housing*** – In FY 2014, the PHA Board approved a contract with NewCourtland Elder Services to provide MTW subsidies for 60 units of new construction senior housing to be located on West Allegheny Avenue. The facility will also include a LIFE Center to provide comprehensive medical and other services to residents. Initial occupancy is projected in FY 2015.
- ***Queen Lane and Queen’s Row Redevelopment*** – PHA continued its efforts to secure all required HUD approvals to proceed with the demolition of the distressed Queen Lane high-rise and the development of 55 replacement housing units for families. (HUD approvals were received in April 2014.) PHA is also proceeding with redevelopment of 24 family rental units at nearby Queens Row. MTW funding will support these developments, which are expected to be under construction and occupied in FY 2015.
- ***Rental Assistance Demonstration*** – To promote long-term preservation and provide a more stable future funding platform, the PHA Board approved submission of applications to convert 2,899 public housing units to project-based assistance under HUD’s new Rental Assistance Demonstration (RAD) Program. PHA’s application is currently on a waiting list pending HUD and Congressional action to increase the threshold number of units allowable for RAD conversion. PHA intends to utilize MTW Block Grant funds and MTW flexibility in the conversion effort.
- ***Public Safety Initiatives*** – MTW funding supported the expansion of PHA’s public safety efforts including the hiring of fifty (50) new police officers and investment of more than \$9.5 million in CCTV and security access controls at various PHA sites. The new police officers work as part of a community policing model adopted by PHA’s restructured Police Department. As part of this effort, new police mini-stations were opened at PHA’s Harrison Plaza, West Park, and Wilson Park developments during the fiscal year. The mini-station model, which will be expanded in the near future to additional priority developments, is staffed by two officers who work with residents and the community at large to pro-actively deter and respond to neighborhood crime.
- ***Rent Simplification Initiatives*** – PHA continued to implement previously approved MTW rent simplification initiatives which simplify program administration and provide incentives for economic self-sufficiency.
- ***Self-Sufficiency and Youth Development Programs*** – PHA offered a broad array of self-sufficiency services focused on helping residents prepare for the workforce and obtain jobs with living wage incomes, along with programs to support youth development and education. While these efforts are supported in part by MTW Block Grant funds, a critical ongoing objective is for PHA to maximize and leverage its investments through innovative public-private partnerships. In FY 2014, PHA substantially restructured its self-sufficiency program strategy. This included the comprehensive restructuring and re-launch of the Pre-Apprenticeship Program, the creation of a new Section 3 Resident Job Bank and the establishment of the new PhillySeeds, Inc. non-profit. The Pre-Apprenticeship Program graduated 39 residents who now have PHA jobs and union

cards. PHA secured 35 Section 3 job commitments, which generated 114 resumes from residents. PhillySeeds awarded \$160,000 in scholarships (ranging from \$1,000 to \$5,000) to 36 residents under PHA's Scholars Program. PHA also laid the groundwork for exciting new initiatives that will be fully launched in FY 2015. This includes a new partnership with Philly Works and enhanced Community Partners programming that are projected to generate 250 training and job placement slots. PHA also developed new partnerships including a new literacy initiative, a new after-school program in partnership with Cheyney University, and expanded educational programming in partnership with Drexel University, Temple University, and the Community College of Philadelphia.

- ***Nursing Home Transition*** – PHA continued 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. In FY 2014, PHA provided community-based housing to 52 former nursing home residents under this initiative.

Non-MTW Initiatives and Accomplishments in FY 2014

The following are highlights of PHA's Non-MTW initiatives and accomplishments in FY 2014:

- ***Reducing Homelessness Among Veterans*** – In coordination with HUD, the City and the Department of Veterans Affairs, PHA expanded its participation in the Veterans Affairs Supportive Housing (VASH) Program, providing housing and supportive services to approximately 300 homeless veterans and their families in FY 2014. PHA proudly helped its first Army vet to become a homeowner with VASH assistance during the reporting period.
- ***Blueprint to End Homelessness Initiative*** – PHA continued to collaborate with the City, social service and local non-profit agencies on the Blueprint to End Homelessness Program. During the reporting period, PHA renewed its agreement with the City, which extended the program for an additional 5 years. Under this initiative, PHA provides 500 housing opportunities for formerly homeless families that are leaving transitional housing.
- ***Norris Homes Choice Neighborhoods Implementation Grant Application*** – PHA collaborated with the City, Norris Homes, and other neighborhood residents and stakeholders to develop and submit a \$30 million grant application under the Choice Neighborhoods Implementation Program. If funded, the program will serve as a catalyst to redevelop the remaining distressed portions of Norris Homes and revitalize the adjacent neighborhood. While this is a very competitive national process, the application has been selected as one of six finalists. Funding announcements will be made in FY 2015.
- ***HCV Housing Mobility Pilot Program*** – PHA implemented a new Housing Choice Voucher Mobility Pilot Program (Housing Opportunity 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 assist voucher holders in finding

housing 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 coaching and referrals to supportive services to promote the successful transition and retention in higher opportunity areas. The program was launched in FY 2014: PHA enrolled 13 participants and conducted 3 workshops.

- ***Sustainability Awards and Initiatives*** – PHA continued to develop and implement its comprehensive Green Action Plan including initial implementation of the new Green Operations and Maintenance Plan. In recognition of its commitment to sustainability and green building standards, PHA was awarded HUD’s Green Organizational Accreditation, and was invited to participate in the Better Buildings Challenge roundtable at the White House. As part of the Better Buildings Challenge, PHA has committed to reducing its energy intensity by at least 20% over the next ten (10) years. The National Association of Housing and Redevelopment Officials awarded PHA’s Paschall Village with an “Outstanding Achievement” award for its energy conservation and green development features. The Pennsylvania Association of Housing and Redevelopment Agencies recognized PHA’s LEED Gold development – Norris Apartments – with a “Certificate of Achievement” award. The Norris redevelopment initiative was also honored with a “Sustainable Construction” award by the Construction Management Association.
- ***No Smoking Initiative*** –In FY 2014, PHA continued to engage in a dialogue with residents to ensure that a comprehensive, carefully planned, and thoughtful No Smoking Policy is formulated and implemented that will: (1) Protect residents from exposure to second hand smoke, (2) Provide smoking cessation programs and/or referrals, and (3) Deter residents from beginning to smoke by providing cessation educational services with strategies appropriately designed for the targeted age group.

The remaining sections of the MTW Annual Report provide further details on PHA’s activities over the past year.

II. GENERAL OPERATING INFORMATION

A. Housing Stock Information

The Philadelphia Housing Authority serves eligible low-income households through its two main housing programs: Public Housing and the Housing Choice Voucher program.

PHA's Public Housing inventory includes units for families, seniors, and people with disabilities located at conventional and scattered site properties throughout the City. It also includes properties managed by Alternatively Managed Entities (AMEs) and the Philadelphia Asset and Property Management Corporation (PAPMC). Table 1 below provides a summary of PHA's Public Housing projected and actual inventory as of the end of FY 2014.

Table 1: Total Public Housing Inventory

	Projected for 3/31/ 2014	Actual as of 3/31/2014
MTW Public Housing Units*	14,388	15,050
Public Housing Units Available for Occupancy**	13,961	14,225

* *Standing units*

** *Available for occupancy units exclude units that are vacant and not available for occupancy, including units that are undergoing modernization as defined in CFR 990.145 and other authorized exclusions.*

PHA's actual public housing inventory as of March 31, 2014 exceeded the projection due primarily to changes in the schedule for demolition and disposition of vacant and distressed public housing units. Note also that the Units Available for Occupancy figure is based on HUD's definition; therefore, it includes a total of 361 units that were pending HUD demolition approval throughout the fiscal year and were not actually available for occupancy, i.e. 120 units at Queen Lane that have been vacant for approximately two years in anticipation of demolition and redevelopment, and 241 vacant and obsolete scattered site units that are slated for demolition and disposition.

Tables 1.1, 1.2, 1.3, and 1.4 below provide a breakdown of PHA's public housing unit inventory for each of the main portfolio components: conventional housing, scattered site housing, PAPMC and AME developments.

Table 1.1 Conventional Public Housing Sites

North Central Area	Site	Total Units	Units Available for Occupancy
	Abbottsford Homes	236	234
	Arlene Homes	32	32
	Bentley Hall	100	96
	Blumberg Apts	510	497
	Cecil B Moore	30	29
	Champlost Homes	102	102
	College View	54	54
	Johnson Homes	535	530
	Morton Homes	250	248
	Parkview Apartments	21	20
	Raymond Rosen	553	552
	Subtotal	2423	2394
North Area	Site	Total Units	Units Available for Occupancy
	Fairhill Apartments	264	264
	Gladys B Jacobs	80	80
	Harrison Plaza	300	299
	Norris Apartments	147	145
	Richard Allen	150	150
	Spring Garden Apartments	203	203
	Subtotal	1144	1141
North-East Area	Site	Total Units	Units Available for Occupancy
	Hill Creek	339	332
	Holmecrest Homes	84	84
	Oxford Village	200	199
	Plymouth Hall	53	53
	Whitehall Apartments	252	248
	Subtotal	928	916
South Area	Site	Total Units	Units Available for Occupancy
	Bartram Village	500	499
	Cassie L Holley	72	71
	Wilson Park	728	727
	Subtotal	1300	1297

West Area	Site	Total Units	Units Available for Occupancy
	Arch Homes	77	73
	Emlen Arms	159	155
	Haddington Homes	150	147
	Haverford Homes	24	24
	Katie B Jackson	59	56
	Queen Lane Apartments	139	139
	Queens Row	0	0
	Queens Row Market Rate	0	0
	West Park Apartments	327	323
	Westpark Plaza	66	65
	Subtotal	1001	982
Grand Total Conventional Sites		6796	6730

Table 1.2 Scattered Sites

Site	Total Units	Units Available for Occupancy
Fairhill Square	532	458
Germantown/Hunting Park	412	370
Haddington	469	435
Kingsessing	556	534
Mantua	488	397
Francisville	516	443
Ludlow	510	442
Oxford Jefferson	496	356
Strawberry Mansion	627	464
Susquehanna	473	421
Total Scattered Sites	5079	4320

Table 1.3 PAPMC Sites

Site	Total Units	Units Available for Occupancy
Cambridge Plaza I	44	44
Cambridge Plaza II	40	40
Cambridge Plaza III	40	40
Germantown House	133	133
Greater Grays Ferry Estates I	245	245
Greater Grays Ferry Estates II	184	184
Lucien E. Blackwell I	80	80
Lucien E. Blackwell II	80	80
Lucien E. Blackwell III	50	50
Ludlow Phase III	75	75
Mantua I	50	50
Mantua II	51	51
Marshal Shepard	80	80
Martin Luther King IV	42	42
Mount Olivet	161	161
Nellie Reynolds Garden	64	64
Norris, LP	51	51
Paschall Village I	50	50
Paschall Village II	50	50
Richard Allen III	178	178
Suffolk Manor	137	137
Warnock I	50	50
Warnock II	45	45
Total PAPMC Sites	1980	1980

Table 1.4 Alternative Management Entity Sites

	Total Units	Units Available for Occupancy
8 Diamonds	152	152
Angela Court I (St. Ignatius)	67	67
Angela Courts II	54	54
Courtyard Apartments - Riverview	470	470
Falls Ridge	135	135
Martin Luther King - Phase I	49	49
Martin Luther King - Phase III	45	45
Neumann North	67	67
Spring Garden II	32	32
Spring Garden Scattered Sites	86	86
St. Anthony's Senior Residence	38	38
Total	1195	1195

Through its Housing Choice Voucher (HCV) program, PHA provides rental assistance to families, seniors and people with disabilities at properties owned by private or non-profit owners. The HCV program also provides support to first time homebuyers. PHA's voucher inventory includes MTW tenant-based vouchers, project-based vouchers supported through PHA's Unit Based program, 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. Homeownership and project-based vouchers are included in the Tenant Based HCV figure in the table below. 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.

Table 2 below provides a summary of PHA's Housing Choice Voucher projected and actual inventory as of the end of FY 2014.

Table 2: Housing Choice Voucher (HCV) Inventory

Voucher Type	Projected for March 31, 2014	Actual as of March 31, 2014
MTW Housing Choice Vouchers		
MTW Tenant Based HCV	15,169	15,361
Family Unification	300	252
Designated Housing	250	250
Tenant Protection Vouchers	50	110
MTW Activity Vouchers*	3,000	3,000
MTW HCV Voucher Subtotal	18,769	18,973
Non-MTW Housing Choice Vouchers		
Mainstream	70	70
VASH	410	460
Moderate Rehabilitation (MR)	203	203
Single Room Occupancy (SRO)	430	376
Non MTW HCV Voucher Subtotal**	1,113	1,109
TOTAL ALL VOUCHERS	19,882	20,082

*"MTW Activity Vouchers" are vouchers used fungibly for MTW authorized purposes under its MTW block grant.

PHA's actual HCV inventory exceeded the projection primarily as a result of the addition of VASH and Tenant Protection Vouchers during the fiscal year.

As of March 31, 2014, PHA had 1,926 HCV vouchers under project-based contracts. This figure includes an additional 160 new units added during the fiscal year. These figures are reflected in the HCV Tenant Based total listed above. Project-based units are subject to the policies of PHA's Unit Based Leasing program. As documented in prior MTW Annual Plans and Reports, actual numbers of units under contract may vary based on additional project selections, as well as removal of units being made over the course of the year.

Table 3 below is a HUD-required table that provides information on new Project Based Voucher developments over the course of the fiscal year and actual total units under contract as of March 31, 2014. Note that the anticipated total number of project based vouchers shown on Table 3 reflects a revision from the figure submitted in the Plan based on a subsequent reconciliation of the inventory.

Table 3: New Housing Choice Vouchers that were Project-Based During the Fiscal Year

Property Name	Anticipated Number of New Vouchers to be Project-Based	Actual Number of New Vouchers that were Project-Based	Description of Project
New Courtland Apartment at Cliveden	32	32	High-rise apartment in Germantown for Seniors
1260 Housing (Sedgley Park)	16	16	Low rise apartment in North Philadelphia for very low income families
C.A.T.C.H. (Citizens Acting Together Can Help)	15	15	Low-rise apartment in South Philadelphia for formerly homeless.
Gaudenzia Foundation (Shelton Court Family Apartments)	20	20	Transitional housing for women in West Philadelphia made up of Triplex and low rise apartments.
Methodist Family Services of Philadelphia	11	11	Low rise apartments in West Philadelphia for emancipated teens/homeless
Project H.O.M.E	37	17	Low rise apartments in North Philadelphia for veterans and individuals with mental health issues.
Mt. Vernon LP	15	15	Low rise apartments in West Philadelphia for very low income families
HELP USA, Inc.	15	15	Row homes in West Philadelphia for veterans
Paseo Verdes	0	19	Row homes in North Philadelphia for very low income families
Liberty Resources (Pending site to be named)	5	0	Mid-rise apartments in midtown Philadelphia for the disabled

Anticipated Total Number of New Vouchers to be Project-Based	Actual Total Number of New Vouchers that were Project-Based	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
166	160	1,932	1,932
		Actual Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year	Actual Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year
		1,926	1,826

Other Changes to the Housing Stock that Occurred During the Fiscal Year

Significant progress was made in FY 2014 to advance PHA's "6 in 5" initiative and other efforts to preserve and expand the supply of affordable housing:

- In December 2013, PHA's Board approved submission of an application to HUD for conversion of 2,899 public housing units to project-based assistance under the Rental Assistance Demonstration program. PHA's application is currently on a waiting list pending Congressional action to increase the number of units allowable under RAD.
- PHA continued to work with HUD to obtain approvals necessary to demolish and redevelop the distressed Queen Lane public housing development. PHA plans to develop 55 new units on the Queen Lane site commencing in FY 2015. (Note that HUD approval was received early in FY 2015.)
- Projects are under development with expected completion in FY 2015 at Queens Row (24 family units) and Markoe Street (6 family units).
- In FY 2014, PHA secured a 9% Low Income Housing Tax Credit award from the Pennsylvania Housing Finance Agency to partially fund demolition and new development of 57 units at Blumberg Apartments for Phase 1. The receipt of a \$500,000 Choice Neighborhoods Planning Grant will also help to build momentum for a planned comprehensive public housing and neighborhood-wide redevelopment effort that will include approximately 200 new affordable units. PHA's Board approved an inter-agency agreement with the City of Philadelphia's Redevelopment Authority for the condemnation of approximately 700 privately-held properties that will be used by PHA as replacement housing.
- In FY 2014, PHA entered into contracts to provide MTW subsidies for 26 units of veterans' family housing with Impact Services Corporation, and 60 units of senior housing with NewCourtland Elder Services. PHA's Board also approved funding in the amount of \$577,851 to support the Impact project's development costs.
- In partnership with the City of Philadelphia, PHA submitted an application for a \$30 million Choice Neighborhoods Implementation Grant for Norris Homes and the surrounding North Central Philadelphia neighborhood. Under this proposal, PHA will demolish the distressed Norris Homes low-rise development, and develop 297 new rental and homeownership units at on and off-site locations. PHA was informed by HUD that it is one of six finalists for an Implementation Grant, and is currently awaiting HUD's grant announcement.
- PHA's subsidiary, the Philadelphia Housing Authority Development Corporation (PHADC), began pre-development planning for developments at Gordon Street (21 units projected) and Oakdale Street (12 units projected) that will be funded with program income and subsidized with project-based assistance.

- PHADC also began construction of five (5) units of affordable, market-rate rental housing as part of the Queen’s Row development. Construction completion and occupancy is scheduled for FY 2015.
- Additional information on planned projects is included in PHA’s FY 2015 MTW Annual Plan.

General Description of Actual Capital Fund Expenditures during the Plan Year

PHA has an estimated \$1 billion in capital needs for its existing portfolio. Table 4 provides a general description of ongoing and planned capital projects, and actual capital fund expenditures for those projects in FY 2014. For each project, the table identifies preliminary estimated costs, the amounts expended in FY 2014 and total amounts obligated and expended to date.

Table 4: Capital Fund Projects and Expenditures

Development Name	Scope of Work	Preliminary Estimated Costs	Amount Expended FY 2014 4/1/13 - 3/31/14	Amount Obligated & Expended through 3/31/14 (Project Life)
PHA-Wide	Security Upgrades	\$9,200,000	\$3,593,533	\$10,070,994
Strawberry Mansion*	New Development	\$14,500,000	\$154,253	\$154,253
PHA-Wide Scattered Sites Vacancy Reduction	Vacancy Reduction	\$19,030,000	\$2,324,547	\$3,048,380
PHA-Wide MEP Upgrade/Enhancement	Johnson Homes Heating Upgrades	\$5,000,000	\$2,137,210	\$2,883,381
	Johnson Homes Electrical Upgrades		\$991,115	\$1,586,638
	Johnson Homes Plumbing Upgrades		\$351,073	\$1,139,200
	Spring Garden and Abbottsford Mechanical Upgrades		\$1,212,198	\$1,609,475
	Fairhill Trash Lift		\$98,832	\$98,832
	Johnson Homes, Wilson Park and Abbottsford Mechanical Upgrades		\$54,311	\$717,151
PHA-Wide Building Enhancements	Johnson Homes Concrete	\$35,000,000	\$595,689	\$632,729
	Johnson Homes Roofing		\$1,830,615	\$1,986,243
	Scattered Sites Roofing		\$1,408,233	\$1,562,686
	Wilson Park Hi-Rise Roof Replacement		\$438,217	\$438,217
	Emlen Arms Elevator			\$1,710,729
	Blumberg Senior Bldg Elevator		\$38,398	\$38,398
	Norris Community		\$132,247	\$132,247

Development Name	Scope of Work	Preliminary Estimated Costs	Amount Expended FY 2014 4/1/13 - 3/31/14	Amount Obligated & Expended through 3/31/14 (Project Life)
	Building			
	PHA Wide Computer Upgrades		\$964,527	\$964,527
	Environmental PHA Wide Abatement		\$209,917	\$209,917
	Mt. Olivet Environmental Study		\$122,084	\$122,084
	PHA Wide Tree Trimming		\$251,689	\$251,689
	PHA Wide Doors		\$23,610	\$23,610
	PHA Wide Electrical		\$589,247	\$589,247
	PHA Wide Exterior Wall		\$23,566	\$230,566
	PHA Wide Painting		\$162,583	\$162,583
	PHA Wide Plumbing		\$279,666	\$279,666
	PHA Wide Telephone Upgrade		\$306,403	\$306,403
	Fairhill Trash Lift		\$98,832	\$98,832
Third Party Capital Requests	New Development	\$5,000,000		
PHA-Wide	Accessibility Improvements	\$500,000	\$318,899	\$318,899
PHA-Wide	Energy Conservation	\$500,000		
PHA-Wide	Sparkle Plus	\$2,300,000		
PHA-Wide Sites	Accessibility Improvements	\$2,000,000	\$528,178	\$528,178
Administrative Building	Renovation and Fit Out	\$7,500,000	-	-
LEB Community Center	New Development	\$4,000,000	-	-
Markoe Phase III	Acquisition/Rehab/New Construction	\$2,500,000		
Queen Lane Demolition	Demolition	\$2,106,000	\$178,359	\$2,106,000
Queen Lane*	New Development	\$12,600,000	\$323,947	\$3,321,118
Queens Row	Rehabilitation	\$3,500,000		
Blumberg Phase I	New Development	\$5,000,000	\$195,079	\$199,579
TOTAL		\$130,236,000	\$19,937,058	\$37,522,451

*Capital funding needs for Mixed-Finance Developments

Overview of Other Housing Owned and/or Managed by the PHA at Fiscal Year

PHA does not currently own or manage other housing units outside of its federally assisted public housing inventory. All of PHA's Low Income Housing Tax Credit units are reflected in the MTW Public Housing inventory previously cited.

B. Leasing Information

In FY 2014, PHA served a total of 31,058 households in its Public Housing and Voucher programs as detailed in Table 6 below.

Table 6: Households Served

Program	Households served as of March 31, 2014
Housing Choice Vouchers	17,815
Public Housing	13,243
Total Households Served	31,058

Demographic information on PHA residents is shown on Table 7 below.

Table 7: Resident Demographics

	Public Housing as of 3/31/2014	HCV as of 3/31/2014	Total
Total Households Served	13,243	17,815	31,058
Total Persons Served (All household members)	31,792	44,674	76,466
Households Headed by Seniors*	5,618	5,399	11,017
Persons with Disabilities	5,761	9,449	15,210
Average Household Income	\$14,213	\$11,622	
Very Low Income Households **	12,482	17,320	29,802
Employment			
<i>Households with No Employment Income</i>	9,688	13,141	22,829
<i>Households with Employment Income</i>	3,555	4,674	8,229
<i>Average Income of Employed Households</i>	\$25,508	\$20,978	
Ethnicity (All household members)			
<i>Hispanic</i>	1,543	3,568	5,111
<i>Non-Hispanic</i>	28,753	37,739	66,492
<i>Not reported</i>	1,496	3,367	4,863
Race (All household members)			
<i>American Indian</i>	30	34	64
<i>Asian</i>	658	747	1,405
<i>Black</i>	28,926	34,640	63,566
<i>Hawaiian/Pacific Islander</i>	63	60	123
<i>White</i>	1,149	2,881	4,030
<i>Not reported</i>	966	6,312	7,278

*MTW definition of elderly is age 55 and over. For Non-MTW voucher programs, elderly is defined as age 62 and over.

**Very Low Income is defined as households earning 50% or less than the Median Family Income.

MTW agencies are authorized under certain circumstances to develop housing that is considered by HUD as “local, non-traditional”, i.e. housing that is not based on Section 8 or 9 of the US Housing Act of 1937. MTW agencies are also allowed to provide certain services to households that do not reside in Public Housing or participate in the HCV program. PHA does not currently own or manage any local non-traditional housing. Further, PHA does not provide MTW services

to households that do not live in Public Housing or participate in the HCV program. Table 8 below is required by HUD to report on local non-traditional households served. Table 7 also includes the number of port-in vouchers that PHA administered in FY 2014.

Table 8: Local, Non-Traditional Program

Housing Program	Number of Households Served	
	Planned	Actual
Number of Units that were Occupied/Leased through Local, Non-Traditional, MTW Funded, Property-Based Assistance Programs	0	0
Number of Units that were Occupied/Leased through Local, Non-Traditional, MTW Funded, Tenant-Based Assistance Programs	0	0
Port-In Vouchers (not absorbed)	n/a	740
Total Projected and Actual Households Served	0	740

Housing Program	Unit Months Occupied/Leased	
	Planned	Actual
Number of Units that were Occupied/Leased through Local, Non-Traditional, MTW Funded, Property-Based Assistance Programs	0	0
Number of Units that were Occupied/Leased through Local, Non-Traditional, MTW Funded, Tenant-Based Assistance Programs	0	0
Port-In Vouchers (not absorbed)	N/A	8,877
Total Households Projected to be Served	0	8,877

Households Served through Local Non-Traditional Services Only	Average Number of households Served Per Month	Total Number of Households Served During the Fiscal Year
	0	0

Reporting Compliance with Statutory MTW Requirements: 75% of Families Assisted Are Very Low Income

PHA meets the requirement that at least 75% of families assisted in the Public Housing and Voucher programs are very-low income. HUD verifies this data through PHA’s electronic submissions under HUD’s PIC system. As PHA does not assist any local non-traditional households, PHA has not included in this narrative the required HUD table to report on such households.

Reporting Compliance with Statutory MTW Requirements: Maintain Comparable Mix

Pursuant to the revised HUD 50900 implemented by HUD in May 2013, MTW agencies are required to provide data on the number of persons in each household served as of the date of entry to the MTW program and as of the current fiscal year. While PHA has this data available for the current fiscal year, it does not have data and is unable to report on household size as of April 2001, which is the effective date of the MTW Agreement. Note that PHA provided *bedroom size* data as part of its initial MTW submissions, but did not provide *household size* data. PHA’s current information technology systems do not have 2001 data available. Therefore, PHA is not currently able to complete the information below in Table 9. PHA will work with HUD’s MTW Office to identify potential solutions to this issue.

Table 9: Baseline for the Mix of Family Sizes Served

Family Size	Occupied number of Public Housing units by Household Size when PHA Entered MTW	Utilized Number of Section 8 Vouchers by Household Size when PHA Entered MTW	Non-MTW Adjustments to distribution of Household Sizes *	Baseline Number of Households Sizes to be Maintained	Baseline Percentages of Family Sizes to be Maintained
1 Person	N/A	N/A	N/A	N/A	N/A
2 Person	N/A	N/A	N/A	N/A	N/A
3 Person	N/A	N/A	N/A	N/A	N/A
4 Person	N/A	N/A	N/A	N/A	N/A
5 Person	N/A	N/A	N/A	N/A	N/A
6+ Person	N/A	N/A	N/A	N/A	N/A
Totals	N/A	N/A	N/A	N/A	N/A

Table 10 below is populated with information on the size of households currently served by PHA as of March 31, 2014.

Table 10: Mix of Family Size Served

	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Totals
Baseline Percentages of Household Sizes to be Maintained	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of Households Served by Family Size Fiscal Year 2014	11,629	6,618	5,332	3,697	1,907	1,598	30,781
Percentages of Households Served by Household Size Fiscal Year 2014	38%	22%	17%	12%	6%	5%	100%
Percentage Change	N/A	N/A	N/A	N/A	N/A	N/A	N/A

For informational purposes, Table 11 below provides a breakdown of households by public housing bedroom size and housing choice voucher size (i.e. bedroom size) when PHA became an MTW agency and in FY 2014.

Table 11: Mix of Family Size by Bedroom

	Bedroom size in April 2001			Bedroom size in FY 2014		
	Public Housing	HCV	Total	Public Housing	HCV	Total
1 Bedroom/SRO	2,113	2,722	4,835	3,158	6,252	9,410
2 Bedroom	3,157	3,369	6,526	3,904	4,390	8,294
3 Bedroom	4,332	5,834	10,166	5,624	4,410	10,034
4 Bedroom	1,180	918	2,098	1,366	1,201	2,567
5 Bedroom	691	195	886	758	256	1,014
6+ Bedroom	245	50	295	270	31	301
Total	11,718	13,088	24,806	15,080	16,540	31,620

Justification and Explanation for Family Size Variations of over 5% from the Baseline Percentages

Please see discussion above. PHA does not have historical data on household size for April 2001.

Description of Issues Related to Leasing of Public Housing, Housing Choice Vouchers or Local, Non-Traditional and Solutions at Fiscal Year End

Table 12 provides required information on leasing issues and solutions.

Table 12: Leasing Issues and Solutions

Housing Program	Description of Leasing Issues and Solutions
Public Housing	A total of 361 units included in Table 1 “Available for Occupancy” figure were not actually available for leasing and are awaiting HUD approval for demolition: 1) 120 units located at Queen Lane; and, 2) 241 vacant and obsolete scattered site units.
Housing Choice Voucher	Leasing under the VASH program is dependent on referrals from the VA. PHA continues to work closely with the VA to expedite this process and promptly lease up available VASH vouchers.

Number of Households Transitioned To Self-Sufficiency by Fiscal Year End

HUD requires information on households transitioned to self sufficiency for any MTW activities that report on HUD’s standard metric SS#8. PHA was not required to use HUD’s new standard metrics until submission of the FY 2015 Annual Plan; therefore, none of its MTW activities utilized or tracked the SS#8 metric. Table 13 below provides the HUD-required information.

Table 13: Transition to Self Sufficiency

Activity Name/#	Number of Households Transitioned *	Agency Definition of Self Sufficiency
N/A	0	TBD
N/A	0	TBD

Total Households Duplicated Across Activities/Definitions	0
Annual Total Number of Household Transitioned to Self-Sufficiency	0

*The number provided should match the outcome reported where metric SS#8 is used

C. Wait List Information

PHA continued to implement its waiting lists in accordance with the Board approved HCV Administrative Plan and Public Housing Admissions and Continued Occupancy Policy, as applicable. PHA’s conventional, scattered sites, PAPMC and AME Public Housing sites are subject to site-specific waiting list policies. PHA also operates a centralized “first available” waiting list for referral programs and for applicants who elect this option.

As shown in Table 14 below, PHA has a total of 97,214 households on all waiting lists as of March 31, 2014. PHA applicants are overwhelmingly extremely low or very low income, i.e. 89% of all applicants for all programs have incomes less than or equal to 30% of Area Median Income (AMI), and an additional 9% have incomes equal to or less than 50% of AMI. In terms of race, 85% of applicants are African-American, 9% are White, 5% are Asian/Pacific Islander

or Native American, and 1% “other” races. In terms of ethnicity, 8% of all applicants are Hispanic.

Demand continues to be highest for small bedroom units, reflecting a general trend towards smaller family sizes. For conventional public housing, 42% of applicants require efficiencies or 1BR units and 33% require 2BR units. For PAPMC sites, 41% require efficiencies or 1BR and 34% require 2BR units. Elderly households constitute 15% of all applicants and disabled households are 2% of applicants.

Table 14: Wait List Information at Fiscal Year End

Housing Program(s)	Wait List Type	Number of Households on Wait List	Wait List Open, Partially Open or Closed	Was the Wait List Opened During the Fiscal Year
Public Housing 1	Other	33,344	Partially Open	No
Public Housing 2 (Tax Credit)	Site-Based Waiting List	35,902	Partially Open	Waitlist is Currently Open
Housing Choice Voucher Program Tenant Based	Community-Wide	27,968	Partially Open	No

Information on Partially Open Wait Lists

Public Housing wait lists are currently open only 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, Nursing Home Transition, etc).

The HCV wait lists are currently open to applicants referred to PHA from external agencies with whom PHA has referral agreements as described in the Administrative Plan.

Description of “Other” Wait List

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, as of March 2014, are managed by the Admissions Department. Applicants may select specific sites or “first available” unit citywide. Centrally managed waitlists are also administered by the Admissions Department including applicants that require a wheelchair accessible unit, and those with a preference designation such as the Blueprint program.

Wait List Organizational or Policy Changes

The following is a summary of wait list policy/organizational changes during FY 2014:

- PHA centralized all waitlist processing functions for applicants with the Admissions Department on March 3, 2014 to ensure compliance with waitlist processing policies.
- PHA updated the Housing Choice Voucher Program waiting list.
- PHA's Board of Commissioners approved a 10 unit pilot program for the Second Chance Program. This program utilizes MTW flexibility and was included in PHA's FY 2015 MTW Annual Plan as a "proposed activity". HUD approval is pending.

III. PROPOSED MTW ACTIVITIES

All proposed activities that are granted approval by HUD are reported on in Section IV as “Approved Activities.”

IV. APPROVED MTW ACTIVITIES

This section of the Annual Report 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. Table 15 below provides a summary of the Implemented and Not Yet Implemented Activities.

Table 15: MTW Activities

Activity	FY Approved	FY Implemented	Status
Partnership Programs Initiative	2011	2012	Active
Comprehensive Resident Self-Sufficiency Services	2005	2005	Active
Streamline the Admissions and Transfer Process	2005	2005	Active
HCV Program Efficiencies	2005	2005	Active
Neighborhood Development and Revitalization Initiatives	2004	2004	Active
Service Enriched Housing for Seniors and People with Disabilities	2004	2004	Active
Simplification and Streamlining of Rent and Recertification Processes for Public Housing and HCV	2004	2004	Active
Unit-Based Leasing and Development Program	2004	2004	Active
Flexible Subsidy Initiative	2014	N/A	Not yet Implemented

A. Implemented Activities

MTW Activity 2011-1: Partnership Programs Initiative

Description/Impact: 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 impact 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 a 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. Because these 3 participants are residing in existing public housing, the units are not being counted against the benchmarks below.

In the FY 2014 Annual Plan, PHA discussed its intention to coordinate the Partnership Programs Initiative activities with its new “6 in 5” Initiative. The “6 in 5” Initiative was initially announced in October 2012 with the goal of creating or preserving 6,000 units of affordable housing over a five year period, subject to funding availability and successful negotiation with partner agencies and/or developers. An open solicitation process was conducted by PHA in FY 2014 which resulted in submission of proposals for over 1000 units. The PHA Board approved entering into contracts for MTW subsidy with two non-profit developers: New Courtland Elder Services for a 60 unit senior building, and Impact Services Corporation for 26 units of veterans’ family housing. PHA included these 86 units as benchmarks in the FY 2015 Annual Plan.

Changes to Benchmarks, Baseline, Metrics: HUD published revised MTW reporting requirements including new HUD standard metrics in May 2013, *after* the start of PHA’s FY 2014. Therefore, PHA’s FY 2014 Annual Plan did not incorporate the new standard metrics or their associated baselines and annual benchmarks. The metrics, baselines and multi-year benchmarks applicable to PHA’s FY 2014 Annual Plan were initially established by PHA in its HUD-approved FY 2011 Annual Report. PHA has incorporated HUD’s new standard metrics, baselines and benchmarks into its FY 2015 Annual Plan submitted to HUD in January 2015. PHA will report on the new standard metrics in future Annual Reports. Generally, PHA has reported below on its FY 2014 progress in meeting those earlier HUD-approved metrics. For FY 2014, where feasible, PHA has reported on progress using the new standard metrics; however, in many cases this information was not being tracked in FY 2014. This approach is consistent with information provided by HUD in the Frequently Asked Questions posted on HUD’s website dated September 17, 2013.

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 units	Benchmark set at 500 units over a 5 year period.*	50 units	
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* *Benchmark was established prior to implementation of revised 50900. PHA has established revised benchmarks as part of its FY 2015 Annual Plan.*

MTW Activity 2004-1: Neighborhood Development and Revitalization Initiatives

Description/Impact: PHA utilizes MTW authority to substantially increase housing choices for residents and applicants. PHA (or its subsidiary) as a developer 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:

- **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). New 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. This activity was approved and implemented in FY 2004. PHA recently updated its MTW HCC/TDC cost limits. A copy of the updated information is included in Attachment D.

- **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.

PHA projects that the impact of this activity will be the development of new affordable housing units and preservation of existing public or other assisted units. PHA established a benchmark of 85 new housing units as part of the FY 2015 Annual Plan. During FY 2014, PHA engaged in pre-development activities related to these projects including Queen Lane (55 proposed units), Queens Row (24 proposed units) and Markoe Street (6 proposed units).

Changes to Benchmarks, Baseline, Metrics: See note regarding changes to benchmarks, baseline and metrics discussed in the Partnership Programs Initiatives activity.

CE #4: Increase in Resources Leveraged

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Amount of funds leveraged in dollars (increase).	*	*	*	
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**This metric was not included in the FY 2014 Annual Plan. PHA has included it in the FY 2015 Annual Plan and will report on it in the FY 2015 Annual Report.*

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	Benchmark set in FY 2011 as 400 units over 5 years*	521 from 4/1/10 to present	Yes
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**Benchmark was established prior to implementation of revised 50900. PHA has established revised benchmarks as part of its FY 2015 Annual Plan.*

HC #2: Units of Housing Preserved

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase).	*	*	*	
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**This metric was not included in the FY 2014 Annual Plan. PHA has included it in the FY 2015 Annual Plan and will report on it in the FY 2015 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 households	Benchmark set in FY 2011 as 400 households over 5 years*	521 households	Yes

**Benchmark was established prior to implementation of revised 50900. PHA has established revised benchmarks as part of its FY 2015 Annual Plan.*

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

Description/Impact: 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.
- **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.
- **Accessible Unit Retrofitting and Development** - PHA completed retrofitting of accessible units required under Attachment E of the MTW Agreement.
- **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.

Changes to Benchmarks, Baseline, Metrics: See note regarding changes to benchmarks, baseline and metrics discussed in the Partnership Programs Initiatives activity.

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 – Adult Day Care (ADC) 0 – Nursing Home Transition (NHT)	49 participants in Adult Day Care Up to 75 participants leased through the Nursing Home Transition Program*	In FY 2014, 49 participants received services through the Adult Day Care and 52 participants were housed through the Nursing Home Transition Program.	Yes

**This metric was not included in the FY 2014 Annual Plan. However, PHA did include a comparable metric which is referenced here.*

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 – Adult Day Care (ADC) 0 – Nursing Home Transition (NHT)	49 participants in Adult Day Care Up to 75 participants leased through the Nursing Home Transition Program*	In FY 2014, 49 participants received services through the ADC and 52 participants were housed through the NHT.	Yes

**This metric was not included in the FY 2014 Annual Plan. However, PHA did include a comparable metric which is referenced here.*

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

Description/Impact: PHA has implemented 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 recertifications are required for changes in household composition. Additionally, PHA completes EIV checks every six months for households with zero, temporary or sporadic income. Interim recertifications were restricted to one every six months for families. 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 current 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 under MTW 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 has been 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-ration 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.

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. Implementation began in FY 2014 for the HCV program.
- 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 and implemented 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.

Changes to Benchmarks, Baseline, Metrics: See note regarding changes to benchmarks, baseline and metrics discussed in the Partnership Programs Initiatives activity.

CE #1: Agency Cost Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
	Time per recertification: 2 hours		Time per recertification: 1.5 hours	
	Number of recertifications: 28,055	Benchmark set in FY 2011 as \$658,592 to complete this activity*	Number of recertifications: 13,541	
Total cost of task in dollars (decrease).	Hourly Rate: \$15.65		Hourly Rate: \$15.65	Yes
	Total cost of activity prior to implementation: \$878,122 (estimate)		Total cost of activity after implementation: \$317,875	

**This metric was not included in the FY 2014 Annual Plan. However, PHA did include a comparable metric which is referenced here.*

CE #2: Staff Time Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Time per recertification: 2 hours		Time per recertification: 1.5 hours	
	Number of recertifications: 28,055	Benchmark set in FY 2011 as 42,083 hours to complete this activity*	Number of recertifications: 13,541	Yes
	Total time for activity prior to implementation: 56,110 hours (estimate)		Total time for activity after implementation: 20,312 hours (estimate)	

**This metric was not included in the FY 2014 Annual Plan. However, PHA did include a comparable metric which is referenced here.*

CE #3: Decrease in Error Rate of Task Execution- Rent Calculation Method

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

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**This metric was not included in the FY 2014 Annual Plan. PHA has included it in the FY 2015 Annual Plan and will report on it in the FY 2015 Annual Report.*

CE #5: Increase in Agency Rental Revenue – Utility Allowance Policy

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Rental revenue in dollars (increase).

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**This metric was not included in the FY 2014 Annual Plan. PHA has included it in the FY 2015 Annual Plan and will report on it in the FY 2015 Annual Report.*

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).	*	*	*	

**This metric was not included in the FY 2014 Annual Plan. PHA has included it in the FY 2015 Annual Plan and will report on it in the FY 2015 Annual Report.*

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

Description/Impact: 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.

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.

Table 16 provides information on projects that are subsidized under this initiative as of March 31, 2014:

Table 16: Unit Based Voucher Developments

Development Name	Sponsor	Building Type	Neighborhood Location	Total 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	Mid rise apartments	Northeast Philadelphia	11	mental health/chemical dependency	yes
Art Apartments	Pinelake 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	Borinquen 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

Development Name	Sponsor	Building Type	Neighborhood Location	Total Units Under Contract	Target Population	Supportive Services
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
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 Lp	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 L P	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	Row homes	West	6	families/very low	no

Development Name	Sponsor	Building Type	Neighborhood Location	Total Units Under Contract	Target Population	Supportive Services
	Emergency Center		Philadelphia		income	
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
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	Scattered triplexes	West Philadelphia	42	families/very low income	no

Development Name	Sponsor	Building Type	Neighborhood Location	Total Units Under Contract	Target Population	Supportive Services
	Management					
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
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 Christophers 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 L P	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	Row homes	North	38	families/very low	yes

Development Name	Sponsor	Building Type	Neighborhood Location	Total Units Under Contract	Target Population	Supportive Services
	Community Revitalization Project		Philadelphia		income	
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				1926		

Changes to Benchmarks, Baseline, Metrics: See note regarding changes to benchmarks, baseline and metrics discussed in the Partnership Programs Initiatives 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).	1,656 units (as of 3/31/2010)	Benchmark set in FY 2011 as 500 additional units over 5 years.*	1,926 units under contract in FY 2014	Five year benchmark period through 3/31/15

**This metric was not included in the FY 2014 Annual Plan. However, PHA did include a comparable metric which is referenced here.*

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

Description/Impact: 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.

- **Changes to Benchmarks, Baseline, Metrics:** See note regarding changes to benchmarks, baseline and metrics discussed in the Partnership Programs Initiatives activity.

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).	*	*	*	

**This metric was not included in the FY 2014 Annual Plan. PHA has included it in the FY 2015 Annual Plan and will report on it in the FY 2015 Annual Report.*

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)	*	Benchmark set in FY 2011 as no more than 100 transfers	25 households	Yes

**This metric was not included in the FY 2014 Annual Plan. However, PHA did include a comparable metric which is referenced here.*

CE #1: Agency Cost Savings – MTW Transfers

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

**This metric was not included in the FY 2014 Annual Plan. PHA has included it in the FY 2015 Annual Plan and will report on it in the FY 2015 Annual Report.*

CE #2: Staff Time Savings – HCV and Public Housing Waiting Lists

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

**This metric was not included in the FY 2014 Annual Plan. PHA has included it in the FY 2015 Annual Plan and will report on it in the FY 2015 Annual Report.*

MTW Activity 2005-3: HCV Program Efficiencies

Description/Impact: 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 2005 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 and implemented in FY 2013.

Proposed Changes to Activity: No changes are proposed.

Changes to Benchmarks, Baseline, Metrics: See note regarding changes to benchmarks, baseline and metrics discussed in the Partnership Programs Initiatives activity.

CE #1: Agency Cost Savings – MTW Family Addendum

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

**This metric was not included in the FY 2014 Annual Plan. PHA has included it in the FY 2015 Annual Plan and will report on it in the FY 2015 Annual Report.*

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

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

**This metric was not included in the FY 2014 Annual Plan. PHA has included it in the FY 2015 Annual Plan and will report on it in the FY 2015 Annual Report.*

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

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Number of port-outs in FY13: 108	Number of port-outs in FY14: 60	Number of port-outs in FY14: 62	Substantially achieved, PHA had two more port-outs than anticipated in FY 14.
	Staff time to complete port-out: 5 hours	Staff time to complete port-out: 5 hours	Staff time to complete port-out: 5 hours	
	Hourly Cost: \$20.00	Hourly Cost: \$20.00	Hourly Cost: \$20.00	
	Total cost in FY 13: \$10,800	Total cost in FY 14: \$6,000	Total cost in FY 14: \$6,200	

**This metric was not included in the FY 2014 Annual Plan. However, PHA did include a comparable metric which is referenced here.*

CE #2: Staff Time Savings – MTW Family Addendum

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

**This metric was not included in the FY 2014 Annual Plan. PHA has included it in the FY 2015 Annual Plan and will report on it in the FY 2015 Annual Report.*

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

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
	Moves in FY 14: 1,555	*	Moves in FY 14: 1,555	
Total time to complete the task in staff hours (decrease).	Staff time to complete: 1.25 hours		Staff time to complete: 1.25 hours	
	Total staff time in FY 14: 1,944 hours		Total staff time in FY 14: 1,944 hours	

**This metric was not included in the FY 2014 Annual Plan. PHA has included it in the FY 2015 Annual Plan and will report on it in the FY 2015 Annual Report.*

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

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
	Number of port-outs in FY13: 108	Number of port-outs in FY14: 60	Number of port-outs in FY14: 62	
Total time to complete the task in staff hours (decrease).	Staff time to complete port-out: 5 hours	Staff time to complete port-out: 5 hours	Staff time to complete port-out: 5 hours	Substantially achieved, PHA had two more port-outs than anticipated in FY 14.
	Total time spent in FY13: 540 hours	Total time spent in FY14: 300 hours	Total time spent in FY 14: 310 hours	

**This metric was not included in the FY 2014 Annual Plan. However, PHA did include a comparable metric which is referenced here.*

B. Activities Not Yet Implemented

MTW Activity 2014-1: Flexible Subsidy Initiative

Description/Update: Through its “6 in 5” Initiative, PHA intends to partner with qualified non-profit and for-profit developers to construct, rehabilitate, acquire, and/or preserve 6,000 units of affordable rental housing, some of which may be public housing units, over the five-year period from 2013 to 2018. PHA has recently 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 a letter dated March 26, 2014, HUD approved the mid-year amendment to the MTW Annual Plan for FY 2014.

C. Activities On Hold

Not applicable.

D. Closed Out Activities

Listed below is a summary of previously approved MTW activities that PHA has completed, discontinued, or determined do not require MTW authority to implement prior to FY 2014:

Activity	Plan Year	Close Out Year	Reason for Close Out
Assisted Living	FY 2009	FY 2011	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.
Home Care Services	FY 2009	FY 2011	PHA discontinued this activity prior to its implementation based on a determination that services can be more efficiently delivered through third-party partners.
Scattered Site Income Tiering	FY 2011	FY 2011	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.
HCV Time Limit	FY 2004	FY 2012	PHA discontinued this activity due to economic conditions which limited the availability of jobs for residents.
HCV HQS Enforcement	FY 2004	FY 2012	PHA elected to discontinue this policy based on a decision to establish uniform HQS enforcement policies for both MTW and Non-MTW vouchers.
Public Housing Service	FY 2004	FY 2012	PHA elected to discontinue this policy after

Activity	Plan Year	Close Out Year	Reason for Close Out
Order Policy			discussions with the HUD Field Office concerning the need to expedite service order response times.
Tenant Responsibility Training	FY 2004	FY 2013	Determination made that activity does not require MTW flexibility.
Blueprint	FY 2004	FY 2013	PHA continues to implement the Blueprint Program; however, a determination was made that activity does not require MTW flexibility.
Transitional Housing Facilities	FY 2007	FY 2013	Determination made that comparable activities are authorized under Partnership Initiative.
LIFE Program	FY 2007	FY 2013	Determination made that activity does not require MTW flexibility.
Community Service Policy	FY 2011	FY 2013	Determination made that activity does not require MTW flexibility.
Expanding Use of LIHTC	FY 2011	FY 2013	Determination made that proposed activities were covered under Partnership and Unit-Based Leasing/Development Initiatives.

Listed below is a summary of previously approved MTW activities that PHA has completed, discontinued, or determined do not require MTW authority to implement in FY 2014:

Activity	Plan Year	Close Out Year	Reason for Close Out
Family Economic Development Action Plan/Tenant Responsibility Training	FY 2004	FY 2014	PHA discontinued this activity along with discontinuation of HCV time limit as they were interrelated activities. No additional statutory exceptions outside of the current MTW flexibilities were considered.
Comprehensive Resident Self Sufficiency Services	FY 2005	FY 2014	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.
90 Day Voucher Reissuance Policy	FY 2005	FY 2014	PHA elected to discontinue this policy based on an assessment that it would not contribute to PHA's utilization goals.
Accessible Unit Retrofitting and Development	FY 2010	FY 2014	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.

V. SOURCES AND USES OF FUNDING

A. Sources and Uses of MTW Funds

PHA has submitted all required FY 2014 financial information in the prescribed format through HUD’s Financial Assessment System.

Activities that Used Only Single Fund Flexibility

Specific single fund flexibility line items include:

- Capital Activity funds in the amount of \$3,060,485 were utilized to support various capital and development projects.
- Family Program funds in the amount of \$4,701,392 were utilized 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; Homeownership Programs; Community Relations police units; Community Partners training and educational programs; related staffing costs; and other Economic Development and Self-Sufficiency program activities.
- Management Improvement funds in the amount of \$4,473,943 were utilized to support: functional enhancements and training on PHA’s Customer Relationship Management software systems; functional enhancements, training, and program support for Financial Management systems; Data Warehousing initiative; Energy Management initiatives; GPS monitoring program; and other business process improvements and staff training initiatives.
- Quality of Life funds in the amount of \$396,902 were utilized for Lease Enforcement and Section 8 investigation programs.

B. Local Asset Management Plan

Has PHA allocated cost within statute during the FY 2014 plan year?	No
Has PHA implemented a local asset management plan (LAMP)?	Yes
Has 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 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.

In FY 2014, PHA began an internal review of its asset management strategies and approach, which may result in modifications to the current asset management approach in the future. 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.

C. Commitment of Unspent Funds

HUD has indicated that MTW agencies are not required to provide information in this section of the Annual Report until subsequent guidance and clarification is provided by HUD. For informational purposes, the following chart provides a summary of PHA's commitments for use of existing unspent and future MTW and other available funds. This chart provides current cost estimates for Board authorized development projects. Estimates are preliminary and subject to change.

Site	Planned Expenditure	Committed Funds (Estimate)
Queen Lane	Demolition of existing site and development of 55 units	\$ 23,092,830
Markoe Street	Development of 6 units	\$ 2,100,000
Strawberry Mansion	Development of 67 units	\$ 23,121,834
Oakdale Street	Development of 12 units	\$ 4,100,000
Gordon Street	Development of 21 units	\$ 6,857,772
Blumberg	Multi-phase redevelopment of site and surrounding community	\$ 182,966,773
Queens Row	Development of 24 units	\$ 3,502,821
Blumberg Phase 5A	Development of 100 units (total development cost estimate)	\$ 45,000,000
Norris	Multi-phase Development of 297 units	\$ 119,798,396
Scattered Sites	Force Accounts development of 300 units	\$20,000,000
Mantua Promise Zone	Development of 89 units	\$ 30,990,852
Lucien E. Blackwell	Community center construction	\$ 4,000,000
Administrative	Office Consolidation	\$ 40,000,000

VI. ADMINISTRATIVE

A. HUD Reviews, Audits, and /or Physical Inspection Issues

Progress on the correction of observed deficiencies cited in monitoring visits and physical inspections are identified below:

REAC Inspections – For REAC calendar year 2013, 27 sites are required to have inspections. Eleven (11) were completed thus far (in March and April, 2014) - 9 of which have already had scores released. Three (3) of these scores increased over their last inspection. Two (2) of these were being inspected for the first time and scored an 87 and 95. These increases and high first time scores are credited to a variety of reasons, which includes last year's newly revamped Uniform Physical Conditions Standards (UPCS) Inspection Department. Other reasons include placing emphasis on site, building systems, building exteriors and common areas in PHA's regular operations.

Site Name	Inspection Year	Inspection Date	2012 Score	2013 Score
Wilson Park	2013	3/18/2014	71	46
Plymouth Hall	2013	3/27/2014	72	72
Spring Garden Mixed Finance	2013	3/27/2014	76	84
903 Quads	2013	3/28/2014	N/A	87
Norris LP	2013	3/31/2014	N/A	95
GGFE I	2013	4/7/2014	61	85
Raymond Rosen	2013	4/9/2014	57	56
Norman Blumberg	2013	4/14/2014	30	47
Richard Allen III	2013	4/22/2014	77	76

Of the 9 inspections in 2013 that were scored, some common deficiencies were misaligned electrical panels, damaged hardware/locks and damaged window screens. To help address these and all interior deficiencies, the above mentioned new UPCS program is being continually refined.

In addition, as a follow up to inspections, PHA has instituted a policy whereby 100% of all deficiencies noted, routine or otherwise, are tracked by way of creating a service order in the Customer Relationship Management system. Once created, these service orders can then be worked on and corrected until completed. Addressing actual maintenance, the entire agency has placed a stronger emphasis on the creation of service orders to immediately address deficiencies in and outside of units when found during annual or informal inspections or site visits.

PHA believes that the above measures will have a positive impact on future REAC scores.

B. Evaluations

Not applicable. PHA utilizes internal resources to measure and evaluate MTW Activities.

C. Certification of MTW Statutory Requirements

PHA certifies that, in Fiscal Year 2014, it continued to meet the three statutory objectives of the MTW program. Appendix B includes the Board resolution containing the certification required by HUD.

VII. APPENDICES

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 revenues 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. PHASI Assets and Liability / Worker's Compensation Liability

The PHASI 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

PHASI 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.

H. 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. Revenues

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 Revenues

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 revenue 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 Manage 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 assist 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 revenues 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 Departments. 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 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.

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 Transfers 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-133 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

APPENDIX 1

PHA MANAGED SITES

PROJECT NUMBER	PROJECT NAME	UNITS
PA2-001	Johnson Homes	530
PA2-003	Richard Allen	150
PA2-010	Raymond Rosen	552
PA2-013	Wilson Park	727
PA2-014	Norris Apartments	145
PA2-015	Harrison Plaza	299
PA2-018	Arch Homes	73
PA2-020	Spring Garden Apartments	203
PA2-024	Queen Lane Apartments	19
PA2-029	Hill Creek	331
PA2-030	Abbottsford Homes	235
PA2-031	Bartram Village	499
PA2-032	Oxford Village	199
PA2-034	Whitehall Apartments	248
PA2-035	Haddington Homes	147
PA2-039	West Park Apartments	323
PA2-042	Champlost Homes	102
PA2-046	Haverford Homes	24
PA2-049	Morton Homes	248
PA2-050	Blumberg Apts	498
PA2-054	Parkview Apartments	20
PA2-055	Fairhill Apartments	264
PA2-062	Pt. Breeze	71
PA2-063	Katie B Jackson	56
PA2-065	College View	54
PA2-066	Holmecrest Homes	84
PA2-076	Emlen Arms	155
PA2-077	Bentley Hall	96
PA2-079	Plymouth Hall	53
PA2-093	Westpark Plaza	65
PA2-100	Cecil B Moore	29
PA2-104	Arlene Homes	32
PA2-114	Gladys B Jacobs	80
PA2-901	Haddington	430
PA2-902	Mantua	383
PA2-903	Kingsessing	518
PA2-904	Germantown/Hunting Park	362
PA2-905	Fairhill Square	451
PA2-906	Francisville	417
PA2-907	Ludlow	427
PA2-908	Susquehanna	411
PA2-909	Strawberry Mansion	429
PA2-910	Oxford Jefferson	341
TOTAL		10,780

PAPMC / AME MANAGED SITES

PROJECT NUMBER	PROJECT NAME	UNITS
PA2-121	Courtyard Apartments	470
PA2-126	8 Diamonds	152
PA2-127	Spring Garden Scattered Sites	86
PA2-128	Martin Luther King - Phase I	49
PA2-129	Cambridge Plaza II	40
PA2-130	Falls Ridge	135
PA2-131	St. Anthony's Senior Residence	38
PA2-132	Suffolk Manor	137
PA2-133	Richard Allen III	178
PA2-136	Martin Luther King - Phase III	45
PA2-137	Cambridge Plaza I	44
PA2-138	Mount Olivet	161
PA2-139	Greater Grays Ferry Estates I	245
PA2-143	Greater Grays Ferry Estates II	184
PA2-145	Lucien E. Blackwell I	80
PA2-146	Angela Court I (St. Ignatius)	67
PA2-147	Cambridge Plaza III	40
PA2-148	Neumann North	67
PA2-149	Martin Luther King IV	42
PA2-150	Lucien E. Blackwell II	80
PA2-152	Germantown House	133
PA2-153	Lucien E. Blackwell III	50
PA2-156	Marshal Shepard	80
PA2-157	Ludlow Phase III	75
PA2-158	Nellie Reynolds Garden	64
PA2-159	Angela Courts II	54
PA2-160	Warnock I	50
PA2-161	Warnock II	45
PA2-162	Spring Garden II	32
PA2-163	Mantua I	50
PA2-164	Mantua II	51
PA2-173	Paschall Village I	49
PA2-174	Paschall Village II	50
PA2-175	Norris, LP	51
TOTAL		3,174

Unit counts are those included in subsidy calculation for calendar year ending 12/31/13

APPENDIX 2

Department ID	Department Description	FRONTLINE DEPARTMENTS AND PRORATION METHODS
404404	Special Operations	Proration Method Unit Percentage of PHA Managed AMPs Only
405405	Environmental Services	Unit Percentage of PHA Managed AMPs Only
406406	Inspections	Unit Percentage of PHA Managed AMPs Only
407407	Safety Office	Unit Percentage of PHA Managed AMPs Only
427427	Family Self Sufficiency	Unit Percentage of PHA Managed AMPs Only
441441	Public Housing Admissions	Unit Percentage of PHA Managed AMPs Only
442442	Public Housing Leasing	Unit Percentage of PHA Managed AMPs Only
455455	Conventional Sites Specialty Crews	Unit Percentage of PHA Managed AMPs Only
456456	Combustion	Unit Percentage of PHA Managed AMPs Only
462462	Force Account Programs	Unit Percentage of PHA Managed AMPs Only
463463	Work Order Center	Unit Percentage of PHA Managed AMPs Only
464464	Vector Control	Unit Percentage of PHA Managed AMPs Only
467467	Provisional Roofing	Unit Percentage of PHA Managed AMPs Only
468468	Roofing Inspections	Unit Percentage of PHA Managed AMPs Only
470470	Primary Electric	Unit Percentage of PHA Managed AMPs Only
471471	Elevators	Unit Percentage of PHA Managed AMPs Only
472472	Lock Shop	Unit Percentage of PHA Managed AMPs Only
473473	Specialty Plumbing	Unit Percentage of PHA Managed AMPs Only
494494	Fleet Management	Unit Percentage of PHA Managed AMPs Only
496496	Risk Management Insurance	Unit Percentage of PHA Managed AMPs Only
512512	Lease Enforcement/Compliance	Unit Percentage of PHA Managed AMPs Only
601601	Call Center	Unit Percentage of PHA Managed AMPs Only
651651	Customer Support Services	Unit Percentage of PHA Managed AMPs Only
602602	Events	Unit Percentage of PHA Managed AMPs Only
709712	End User Support Services	Unit Percentage of PHA Managed AMPs Only
440440	Office, General Manager, Scattered Sites Mgmt	Unit Percentage of Scattered Sites AMPs Only
450450	Office, General Manager, Conv. Sites Mgt & Maint.	Unit Percentage of Conventional AMPs Only
460460	Office, GM, Scattered Sites Maint.	Unit Percentage of Scattered Sites AMPs Only
431431/451451	North Area Management	Unit Percentage of North Region AMPs Only
432432/452452	Northeast Area Management	Unit Percentage of Northeast Region AMPs Only
433433/453453	South Area Management	Unit Percentage of South Region AMPs Only
434434/454454	West Area Management	Unit Percentage of West Region AMPs Only
438438/458458	North Central Area Management	Unit Percentage of North Central Region AMPs Only
431431/451451	North Area Vacancy Crew	Unit Percentage of North Region AMPs Only
432432/452452	Northeast Area Vacancy Crew	Unit Percentage of Northeast Region AMPs Only
433433/453453	South Area Vacancy Crew	Unit Percentage of South Region AMPs Only
434434/454454	West Area Vacancy Crew	Unit Percentage of West Region AMPs Only
438438/458458	North Central Area Vacancy Crew	Unit Percentage of North Central Region AMPs Only
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	Abbotsford 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 12/31/13

APPENDIX 2 (CONTINUED)**PHA FRONTLINE PRORATION RATE CALCULATIONS****PROJECT**

NUMBER	PROJECT NAME	UNITS	PERCENTAGE
<u>Germantown Region</u>			
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%
<u>North Central Region</u>			
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%
<u>North Region</u>			
PA2-003	Richard Allen	150	13.146%
PA2-014	Norris Apartments	145	12.708%
PA2-015	Harrison Plaza	299	26.205%
PA2-020	Spring Garden Apartments	203	17.791%
PA2-055	Fairhill Apartments	264	23.138%
PA2-114	Gladys B Jacobs	80	7.011%
North Region Total		1141	100.000%
<u>Northeast Region</u>			
PA2-029	Hill Creek	331	36.175%
PA2-032	Oxford Village	199	21.749%
PA2-034	Whitehall Apartments	248	27.104%
PA2-066	Holmecrest Homes	84	9.180%
PA2-079	Plymouth Hall	53	5.792%
Northeast Region Total		915	100.000%

APPENDIX 2 (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 12/31/13

APPENDIX 2 (CONTINUED)

PHA FRONTLINE PRORATION RATE CALCULATIONS

PROJECT NUMBER	PROJECT NAME	UNITS	PERCENTAGE
<u>Conventional Sites</u>			
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 Apartments	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 12/31/13

APPENDIX 3**INDIRECT COST DEPARTMENTS OVERHEAD ALLOCATION RATES****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	Abbotsford 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 12/31/13

APPENDIX 3 (CONTINUED)**INDIRECT COST DEPARTMENTS**

Department ID	Department Description
100100	Office, Executive Director
110110	Office, Senior Deputy Executive Director
200200	Office, Inspector General
338338	Office, Assistant Executive Director, Supply Chain Mgmt
339339	Contracts Administration
340340	Contracts & Procurement
341341	Affirmative Action
342342	Purchasing
343343	Office Services
400400	Office, AED for Operations
401401	Office, Executive General Manager
496496	Risk Management
500500	Office, General Manager Human Resources
501501	Recruitment & Replacement
502502	Compensation & Benefits
503503	Labor/Employment Relations
504504	Student Interns
505505	Technical Aides
507507	Temporary Personnel
508508	Payroll
510510	Corporate Legal
511511	Real Estate Investment
521521	Strategic Management
522522	Organizational Development
523523	Quality Assurance
600600	Communications
630630	Program Compliance
700700	Office, Assistant Executive Director, Finance
701701	Finance
707707	Budget
709709	Office, Chief Information Officer, ISM
709711	Enterprise Systems
709714	ISM Financial Information Systems
800800	Office, Assistant Executive Director, Real Estate Services
810811	Program Management
810812	Program Development
810813	Policy
344344-344345	Inventory -Warehouses

B. Certification of Compliance with MTW Statutory Objectives

RESOLUTION NO. 11703

RESOLUTION APPROVING THE ANNUAL MOVING TO WORK ("MTW") REPORT FOR FISCAL YEAR 2014 FOR THE PHILADELPHIA HOUSING AUTHORITY ("PHA") FOR SUBMISSION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND CERTIFYING THAT PHA HAS MET THE THREE MTW STATUTORY REQUIREMENTS

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") requires the Philadelphia Housing Authority ("PHA"), as a participant in the Moving to Work Demonstration Program ("MTW"), to submit an Annual Report on status of its programs, operations, and finances in a form specified and required by HUD; and

WHEREAS, under the MTW Agreement, at the end of PHA's fiscal year HUD will assess PHA's annual performance by comparing, PHA's goals, as stated in its approved MTW Annual Plan, to its actual performance, as stated in its Annual Report; and

WHEREAS, PHA must include in the MTW Annual Report all required elements as described in the MTW Agreement; and,

WHEREAS, the MTW Agreement, OMB Control Number 2577-0216, VI (C), requires a certification in the Annual Report that PHA has met the three MTW statutory requirements of: 1) assuring that at least 75 percent of the families assisted by PHA are very low-income families; 2) continuing to assist substantially the same total number of eligible low-income families under MTW as would have been served had the funding amounts not been combined under MTW; and, 3) maintaining a comparable mix of families, by family size, as would have been served or assisted had the amounts not been used under the MTW demonstration; and

WHEREAS, the Annual Report must be submitted no later than 90 days after the end of PHA's fiscal year; and

WHEREAS, PHA's fiscal year ended on March 31, 2014 and its Annual Report is due to HUD on or before June 30, 2014; and

WHEREAS, PHA has prepared its Annual MTW Report for Fiscal Year 2014, submitted it to the Board and resident leadership for review, it is ready for timely submission to HUD and it contains all the required elements;

BE IT RESOLVED, that the PHA Board of Commissioners hereby approves PHA's Annual Report for the MTW Demonstration Program for Fiscal Year 2014 (period ending March 31, 2014), as distributed to the Board and resident leadership and made available to the public, for submission to HUD; certifies that the report reflects that PHA has met the three MTW statutory requirements of: 1) assuring that at least 75 percent of the families assisted by PHA are very low-income families; 2) continuing to assist substantially the same total number of eligible low-income families under MTW as would have been served had the funding amounts not been combined under MTW; and 3) maintaining a comparable mix of families, by family size, as would have been served or assisted had the amounts not been used under the MTW demonstration; and authorizes the President and CEO, or his authorized designee(s), to undertake all necessary actions including, but not limited, to responding to HUD comments and requests for additional information, in order to secure HUD approval for the Annual Report.

I hereby certify that this was

APPROVED BY THE BOARD ON

6/19/14

Barbara Adams, General Counsel

ATTORNEY FOR PHA

C. 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:

- All existing RHF funds are included in PHA's MTW Block Grant.
- PHA intends to accumulate RHF funds as allowed under the RHF Amendment, Option 3.
- PHA will secure commitments for the required one-third leverage amounts prior to disbursing RHF funds.
- PHA will develop the number of affordable and/or public housing units required under the proportionality test. PHA intends to utilize RHF funds to support construction of public housing units at Blumberg Phase 1, Queen Lane, Queen's Row, Markoe Street and Strawberry Mansion.
- HUD published a Final Rule dated October 24, 2013 which significantly modifies RHF regulations. PHA believes that the Final Rule may also impact the provisions of the RHF Amendment to the MTW Agreement in that the Final Rule eliminates second increment RHF funding beginning in Federal Fiscal Year 2014 and makes other changes. PHA will consult with HUD as needed to clarify its impact on the RHF Amendment to the MTW Agreement.
- RHF Grant Numbers and estimated grant balance amounts as of March 31, 2014 are shown below:

Fiscal Year	RHF Grant Number	Unexpended Balance as of 3/31/14
2014	PA26R002501-14	\$ 5,307,496.00
2014	PA26R002502-14	\$ 3,961,127.00
2013	PA26R002501-13	\$ 4,024,988.00
2013	PA26R002502-13	\$ 5,405,430.00
2012	PA26R002501-12	\$ 3,409,555.00
2012	PA26R002502-12	\$ 5,180,974.00
2011	PA26R002501-11	\$ 1,790,550.00
2011	PA26R002502-11	\$ 10,793,131.00
2010	PA26R002501-10	\$ 126,189.00
2010	PA26R002502-10	\$ 13,424,283.00
2009	PA26R002501-09	\$ 432,756.00
2009	PA26R002502-09	\$ -
2009	PA26R002504-09	\$ 573,407.00
2008	PA26R002501-08	\$ 93,605.00
2008	PA26R002502-08	\$ 548,194.00

D. MTW HCC/TDC Cost Limits (Updated May 2014)

YEAR	PPPI (Producer Prices Paid Index) 1.	PPPI (Producer Prices Received Index) 1.	PPPI (Producer Prices Paid Index) 1.	PPRI (Producer Prices Received Index) 1.	PPPI (Producer Prices Paid Index) 1.	PPRI (Producer Prices Received Index) 1.	CCI (ENR's Construction Cost Index) 2.	CPI (Consumer Price Index) 3.	PL-566 Water Resource Discount Rate 4.	OMB 10Y A-76 Nominal Discount Rate 5.
	1977 Index	1977 Index	1990-92 Index	1990-92 Index	1990-92 Index	1990-92 Index	1913 Index	November, 2013	October, 2013	December, 2012
1996	210.90	162.00	115	112	5620.00	156.90	7.625	5.600		
1997	216.40	154.77	118	107	5826.00	160.50	7.375	6.100		
1998	210.90	147.54	115	102	5920.00	163.00	7.125	5.900		
1999	210.90	137.41	115	95	6059.00	166.60	6.875	4.900		
2000	220.07	138.86	120	96	6221.00	172.20	6.625	6.100		
2001	225.57	147.54	123	102	6334.00	177.07	6.375	5.400		
2002	227.41	141.75	124	98	6538.00	179.88	6.125	5.100		
2003	234.74	154.77	128	107	6694.64	183.96	5.875	4.200		
2004	243.91	160.55	133	111	7114.89	188.90	5.625	4.600		
2005	262.25	164.89	143	114	7445.98	195.30	5.375	4.600		
2006	271.42	175.02	148	121	7887.62	201.60	5.125	5.000		
2007	289.76	199.61	158	138	8551.32	207.34	4.875	5.000		
2008	324.60	192.38	177	133	8549.06	215.303	4.875	4.600		
2009	335.61	198.16	183	137	8680.08	214.537	4.625	4.200		
2010	350.28	231.43	191	160	8952.40	219.179	4.375	3.900		
2011	375.95	258.91	205	179	9171.73	225.672	4.125	3.000		
2012	397.96	290.73	217	201	9412.25	229.601	4.000	2.800		
2013	390.62	260.35	213	180	9667.77	233.069	3.750	2.000		
2014							3.500	2.000		
Report Dates	December, 2013	December, 2013	December, 2013	December, 2013	January, 2014	November, 2013	October, 2013	December, 2012		

Data Sources:

- Prices paid and Received by Farmers, ERS/NASS data provided through Cornell University. <http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1002>
http://www.nass.usda.gov/Charts_and_Maps/graphics/data/priw.txt
Note: The Limited Resource Farmer Index is based on the October, 2004 PPPI of 125.
- Engineering News Review, Construction Cost Index History <http://enr.construction.com/economics/default.asp>
The ENR website only provides the current month CCI. History of CCI available to members. The December (end of year) ENR CCI index is provided
- Consumer Price Index-All Urban Consumers http://inflationdata.com/inflation/Consumer_Price_Index/CurrentCPI.asp
The annual average CPI is reported
- FY Plan Formulation Rate For Federal Water Projects, updated annually in early October http://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/cnlisc?cid=nrcs143_0096885
- OMB Circ. A-94 10-Year Nominal Discount Rate, Updated annually in January <http://www.whitehouse.gov/omb/circulars/a094/a094.html>

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					
	0	1	2	3	4	5
Type of Unit						
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					
	0	1	2	3	4	5
Type of Unit						
Detached/Semi-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	\$ 308,097	\$ 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					
	0	1	2	3	4	5
Type of Unit						
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					
	0	1	2	3	4	5
Type of Unit						
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					
	0	1	2	3	4	5
Type of Unit						
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					
	0	1	2	3	4	5
Type of Unit						
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					
	0	1	2	3	4	5
Type of Unit						
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					
	0	1	2	3	4	5
Type of Unit						
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					
	0	1	2	3	4	5
Type of Unit						
Detached/Semi-Detached	\$ -	\$ 251,597	\$ 297,183	\$ 357,158	\$ 418,309	\$ 479,265
Row House	\$ -	\$ 227,039	\$ 267,104	\$ 320,524	\$ 373,946	\$ 427,366
Walk-up	\$ 196,541	\$ 196,541	\$ 227,412	\$ 301,281	\$ 370,329	\$ 435,791
Elevator	\$ -	\$ 238,389	\$ 278,381	\$ 370,316	\$ 459,193	\$ 543,165

TDC	Number of Bedrooms					
	0	1	2	3	4	5
Type of Unit						
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