



Joint Venture Opportunities

PIH Region IV, Mixed Finance/RAD
Charlotte, NC
PIH 2012

Age of Public Housing



- A large portion of the rental stock is approaching 40 years since construction
- Likely housing quality issues
- Need for Rehab or Replacement

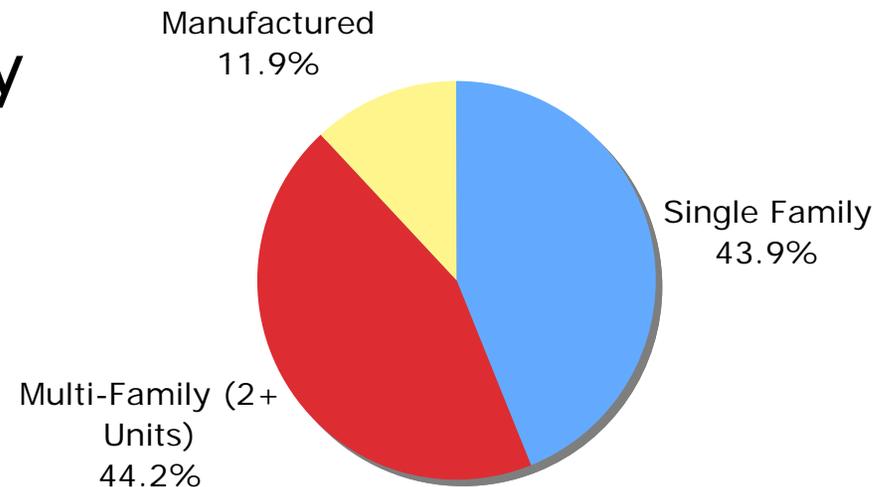


Types of Units in Stock



- Rental stock is split evenly between single- and multi-family
- Manufactured housing is important contributor in southern states

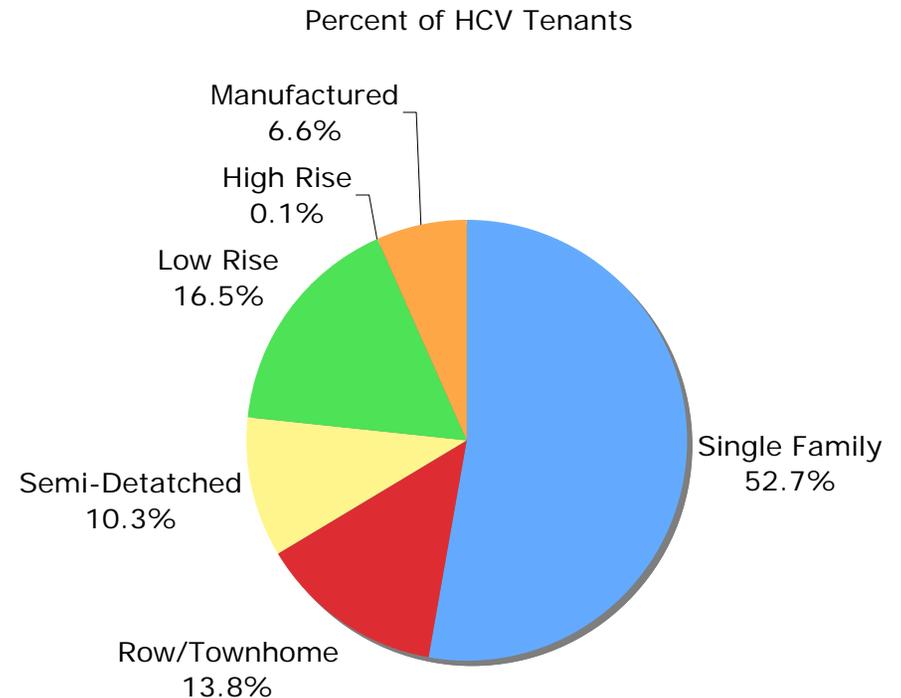
Percent of Rental Units



Use of HCV



- Voucher Tenants skew toward single family and away from multi-family and manufactured relative to stock



Who We Serve



48% HTC units for people $\leq 30\%$ AMI

80% HTC units for people $< 50\%$ of AMI

| Field Office | Extremely Low Income | | Very Low Income | | Low Income | | Above Low Income | |
|--------------|----------------------|---------|-----------------|---------|------------|---------|------------------|---------|
| | Count | Percent | Count | Percent | Count | Percent | Count | Percent |
| US | 795269 | 12 | 210159 | 11 | 36758 | 2 | 2131 | 0 |

Examples of Partnering



- Tuscaloosa
- Prichard
- Biloxi/Region VIII
- Bay Waveland
 - Turn key developer
 - Significant Development partner
 - PH units, HCV
 - Management and Maintenance



What PHAs Bring to the Table



- Land
- Infrastructures
- Social Service Connections / Program
- Good will in the community
- Public Housing Funding
- Leverage Financing

Why Public Housing is Integral to Community Development



- ❖ Brings in Affordable Housing Development
- ❖ Serves families in need
- ❖ Long term investments in communities
- ❖ Meets needs for special populations
- ❖ Leveraging Partnerships

Sources of Funding



- ❖ Capital Fund Program
- ❖ Operating Subsidy
- ❖ Replacement Housing Factor Funds (RHF)
- ❖ Leverage Finance Programs
- ❖ RAD
- ❖ Choice Neighborhoods
- ❖ Housing Choice Vouchers (PBV)
- ❖ ROSS/FSS Grants



PHAs Seeks Sources of Funding



Above: HUD collaboration with Habitat for Humanity
Below: Mixed Finance Development in Biloxi

External Sources

- ❖ Tax Credits
- ❖ Bond Financing
- ❖ Private Loans
- ❖ State or Local Grants
- ❖ Donations
- ❖ Contributions



Property Expense Level



| Name | Project # | Units | PEL | Small | Medium | Large |
|-----------|-----------|-------|----------------------------|-------|--------|-------|
| Small PHA | | 65 | \$276.65 | X | | |
| | | 160 | \$299.24 | X | | |
| | | 244 | \$301.15 | X | | |
| Medium | | 296 | \$278.58 | | X | |
| Medium | | 330 | \$294.89 | | X | |
| Medium | | 430 | \$319.85 (3 AMPs average) | | X | |
| Large | | 799 | \$343.77 (8 AMPs average) | | | X |
| Large | | 1210 | \$347.86 (10 AMPs average) | | | X |
| Large | | 1297 | \$308.48 (10 AMPs average) | | | X |

Rental Assistance Demonstration



Created under HUD 2012 appropriations bill (Public Law 112-55, signed Nov. 18, 2011)

- Allows Public Housing to convert to Project-based vouchers or Project-based Rental Assistance
- Coordination between traditional Multi-family programs and Public Housing
- Eligible to participate in LIHTC
- Could utilize 221 (d) 4 and 223 (f) with developments





Operating Subsidy Reserves



- The FY 2012 HUD Appropriations Act permits PHAs to use excess operating reserves for capital improvements.
 - Excess reserves are amounts in excess of four months of operating expenses for agencies that own 250 or more units.
 - This flexibility does not impact small agencies.
- Law limits large modernization projects.
 - HUD has defined a large modernization project as 80% of TDC.

Project Based Vouchers



A PHA can attach up to 20 percent of its voucher assistance to specific housing units if;

- the owner agrees to either rehabilitate or construct the units
- or the owner agrees to set-aside a portion of the units in an existing development.

Rehabilitated units must require;

- at least \$1,000 of rehabilitation per unit to be subsidized
- all units meet HUD housing quality standards

24 CFR Part 98



Mixed Finance Notices



*NOTICE: PIH 2012-7 (HA)

Issued: 2/2/2012

SUBJECT: Demolition/disposition of public housing and associated requirements for PHA Plans, resident consultation, Section 3 and application processing.

*NOTICE: PIH 2012-2 (HA)

Issued: 1/20/2012

SUBJECT: Guidance on Public Housing Operating Funds.

*NOTICE: PIH 2011-69 (HA)

ISSUED: 12/27/2011

SUBJECT: Prohibition on Exceeding Statutory Limitation of the Number of Public Housing Units.

*NOTICE: PIH 2011-61 (HA)

Issued: 11/1/2011

SUBJECT: Extension-Guidance on requirement for PHAs to record current Declaration of Trusts (DOTs) against all public housing property and guidance on adding and removing public housing units and other property from the Annual Contributions Contract (ACC). See PIH 2009-28, which is the original notice.

*NOTICE: PIH 2011-47 (HA)

ISSUED: 8/17/2011

SUBJECT: Transactions between Public Housing Agencies and their Related Affiliates and Instrumentalities. See PIH 2007-15, which is the original notice.

Mixed Finance Notices– cont.



*NOTICE: PIH-2011-45 (HA)

ISSUED: 8/15/2011

SUBJECT: Parameters for Local, Non-Traditional Activities under the Moving to Work Demonstration Program. Allows

MTW agencies to use MTW funds to serve families at 80% or below outside of the public housing and Section 8

Programs if approved by HUD under an MTW Agreement.

*NOTICE: PIH 2011-38 (HA)

ISSUED: 7/20/2011

SUBJECT: Public Housing Development Cost Limits.

*NOTICE: PIH 2011-33

ISSUED: 6/24/2011

SUBJECT: Use of Work Preferences as a Public Housing Waiting List Management Tool and as a Lease Provision for

Certain Public Housing Buildings.

*NOTICE: PIH-2011-30 (HA)

ISSUED: 6/8/2011

SUBJECT: PHA Mortgaged Projects: Procedures for Section 30 Mortgage Transactions.



Mixed Finance Notices– cont.

*NOTICE: PIH-2011-18 (HA)

ISSUED: 4/12/2011

SUBJECT: Guidance on the Asset-Relocation Fee Under 24 CFR 990.190(h) and Guidance on Re-occupying

Public Housing Units Proposed or Approved for Demolition, Disposition, or Transition to Homeownership.

*Notice: PIH-2010-26

Issued 7/26/10

Non-discrimination and Accessibility for Persons with Disabilities

*Notice: PIH-2011-31

Issued 6/13/11

Guidance on Non-Discrimination and Equal Opportunity Requirements for PHAs

FYI:

1. Here is a link to the Office of Capital Improvements

webpage: http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/capfund

2. Here is a link to the SAC webpage:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/centers/sac