

# **Housing Authority of the City of Pittsburgh**

## **Moving to Work Demonstration Year 5 (FY 2005) Report**

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## OVERVIEW: THE HOUSING AUTHORITY OF THE CITY OF PITTSBURGH MOVING TO WORK DEMONSTRATION 2005

### Summary:FY 2005 MtW (Moving to Work) Demonstration

#### Occupancy Growth

The Housing Authority City of Pittsburgh (HACP) continued occupancy growth through FY 2005. On January 1, 2001 (the start of the MtW demonstration), the HACP served 9145 households (Section 8 and LIPH combined). On January 1, 2006, the number of households served by the HACP was 11,166, an increase of 22% in the number of low income households served since the start of the MtW demonstration program. During this period, the number of households served by the Section 8 program increased by 71% from 3899 households to 6668 households. LIPH occupancy, during this period, declined by 14.3% from 5246 households to 4498 households.

The decline in LIPH occupancy is largely attributable to the obsolescence of a significant portion of the HACP's housing inventory. Since January 1, 2001, the HACP has demolished 1,971 units or 25.9% of HACP units standing on that date. As of January 1, 2006, 2,339 out of 5,626 standing LIPH units (not including mixed finance units) or 41.6% of HACP standing units were constructed prior to 1955.

While occupancy in older HACP communities declines, the occupancy rate in HACP mixed finance communities built since the mid-1990's (761 units total) continues to remain consistently near 100%. The current high occupancy in mixed

income communities combined with the significant increase in Section 8 voucher holders since 2001 clearly indicates a sizeable and, as yet, not fully met demand for de-concentrated, low income housing in Pittsburgh.

#### Capital Planning

As one of oldest public housing authorities in the country, the Housing Authority of the City of Pittsburgh continues to operate outmoded housing built prior to World War II as well as outmoded housing built in the period of the 1940's to the 1960's. These communities are difficult to maintain, often inadequately designed (by current standards) and of steadily declining desirability.

The continued maintenance of occupied obsolescent housing units is a responsibility that the HACP recognizes as a necessary and high-priority short-term planning objective. Continuing to patch and to perform limited modernization on obsolete units year after year as the units become more outmoded is not a viable or fiscally responsible long-term strategy.

Participation in the MtW demonstration program has given the HACP the flexibility to engage in responsible long-term redevelopment efforts in older and outmoded HACP

communities. As proposed in the HACP's first MtW Plan in for FY 2001 (and in subsequent MtW Plans), the HACP has used the funding fungibility afforded by the MtW demonstration program to build reserves necessary for long-term redevelopment.

In FY 2005, the HACP completed master planning activities for the redevelopment of Garfield Heights, Northview Heights and Addison Terrace. Each of these communities will be redeveloped as mixed income communities. In 2006, the HACP will issue RFPs to select development teams for each of these communities.

### **Operational Improvements**

In the HACP's first MtW Plan (FY 2001) the HACP committed to using the MtW program as an opportunity to carefully evaluate the HACP's entire organizational structure. As a result of that evaluation, as discussed in the HACP's FY 2003 MtW Plan, the HACP began what is probably the largest organizational change in the 60 + year history of the Authority – the decentralization of the HACP's organizational structure and conversion to site-based property management.

On July 12, 2005, the HACP completed the organizational restructuring required to implement site-based management. All HACP communities (including privately managed communities) were divided into three regions each under the oversight of a single Real Estate Asset Manager. The Property Management Department and Maintenance Department were eliminated. Hundreds of HACP personnel received new work assignments and/or supervisors. Everyday maintenance

activities were put under the control of Site Managers. Specialized maintenance personnel (pest control, etc.) were placed in a new Facilities Services Department for utilization at the request of Site Managers. Site Managers created individual community budgets which were part of the Authority 2006 budget.

The final months of 2005 saw increases in occupancy levels, reduction in unit turnaround times and improved curb appeal in a number of HACP communities. The HACP attributes these changes as initial indications of a successful transition to site-based management. The HACP will use additional monitoring data gathered through FY 2006 to further gauge the success of the transition. (See Part 11 for additional Detail.)

### **Resident Self-Sufficiency**

In FY 2005, the HACP Resident Self-Sufficiency Program (REAL – Realizing Economic Attainment for Life) exceeded annual goals for resident enrollment, resident employment, resident income increase and job training. The Authority committed \$655,000.00 to a Youth Development and Intervention Initiative funding 4 service agencies with performance based contracts to serve youth between the ages of 13 and 18 in 6 HACP family communities. In July 2005, the HACP Board of Directors approved the expenditure of \$5,000,000 to create a Youth Services Investment Fund to assist HACP resident youth, ages 13 – 21. (See Part 9 for a full discussion of all Resident Self-Sufficiency efforts.)

See Part 10 for a discussion of the HACP Homeownership Program in FY 2005.

## 2.0 CHARACTERISTICS OF HOUSEHOLDS SERVED

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### Overview

The tables that follow provide occupancy, income, race and disabilities data for HACP residents (public housing and Section 8) by year during the HACP's MtW demonstration program. The data is summarized as follows:

- Overall HACP occupancy (LIPH and Section 8) has increased every year of the MtW demonstration program – from 9145 households on January 1, 2001 to 11,166 households on January 1, 2006 – an increase of 22% in the number of low-income households served.
- During this same period, HACP LIPH occupancy decreased by 14.3% from 5246 households to 4498 households and Section 8 occupancy increased by 71% from 3899 households to 6668 households.
- LIPH occupancy declined during 2005 from 4656 households on January 1, 2005 to 4498 households on January 1, 2006 (a loss of 158 households). The HACP experienced a net loss of 165 LIPH households in FY 2004, but also brought 136 new and nearly fully occupied mixed income units online in 2004. The HACP brought no new units online in FY 2005, yet the net loss of occupied units for the year declined slightly in 2005 over 2004.
- In FY 2005, four HACP managed communities (Bedford Addition, Cove Place, Broadhead and Kelly St.) all slated for demolition, redevelopment or extensive modernization lost 130 occupied units in total (as compared to the 158 unit net occupancy loss in HACP LIPH units as a whole).
- In 2005 as in 2004, 70% of the households (LIPH and Section 8) served by the HACP had incomes under 30% of Area Median Income (AMI).
- The racial composition of the HACP's resident population has remained relatively constant through MtW Year 5. See page 2-7 and 2-8 for the statistics and discussion.
- The length of both the LIPH and Section 8 waiting lists decreased substantially from January 1, 2005 to January 1, 2006 (from 2453 applicants to 1663 and from 4797 applicants to 2090 respectively). Reduced waiting list length in 2005 is believed to be due to more efficient waiting list management rather than a reduction in demand for low-income housing.
- The HACP's total number of households served (public housing and Section 8) increased during FY 2005 to exceed 11,000 households (11,166) by January 1, 2006.
- Tables 2-6 and 2-7 (pages 2-10 and 2-11) show the racial composition and income distribution respectively of disabled HACP LIPH and Section 8 households. Disabled households are defined as those households in which the leaseholder has a verified SSI disability. (This data was not included in the MtW annual reports for 2001 or 2002.) Note that these tables do not include all households requiring accessibility accommodations for the mobility, vision or hearing impaired. They also do not represent the number of accessible units in HACP's housing inventory.

**Table 2-1 – Unit Sizes of Households Served, Jan. 1, 2001-Jan. 1, 2006**

**Public Housing**

	Eff/1 Bedroom						2 Bedroom						3 Bedroom					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	568	580	730	651	622	562	1434	1274	1274	1330	1255	1177	1427	1268	1224	1217	1185	1181
<b>Elderly</b>	1146	1089	960	1026	1058	1041	287	266	353	222	161	177	0	0	0	0	0	0
<b>Total</b>	1714	1669	1694	1677	1680	1603	1721	1540	1627	1552	1461	1354	1427	1268	1224	1217	1185	1181

	4 Bedroom						5+ Bedrooms						Total					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	300	289	302	299	297	286	84	78	82	76	78	74	3813	3489	3612	3573	3437	3280
<b>Elderly</b>	0	0	0	0	0	0	0	0	0	0	0	0	1433	1355	1313	1248	1219	1218
<b>Total</b>	300	289	302	299	297	286	84	78	82	76	78	74	5246	4844	4925	4821	4656	4498

**Section 8**

	Eff/1 Bedroom						2 Bedroom						3 Bedroom					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	669	828	968	1229	1202	1648	1418	1619	1533	1737	1799	2228	1119	1177	1206	1258	1437	1783
<b>Elderly</b>	325	345	340	460	410	431	118	112	198	107	128	135	15	15	17	13	21	24
<b>Total</b>	994	1173	1308	1689	1612	2079	1536	1731	1731	1844	1927	2363	1134	1192	1223	1271	1458	1807

	4 Bedroom						5+ Bedrooms						Total					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	207	231	228	224	282	342	27	36	38	48	66	75	3440	3891	3973	4496	4786	6076
<b>Elderly</b>	1	0	0	1	1	2	0	0	0	0	0	0	459	472	555	581	560	592
<b>Total</b>	208	231	228	225	283	344	27	36	38	48	66	75	3899	4363	4528	5077	5346	6668

Table 2-1 (Continued) - Total Unit Sizes of Households Served, Jan. 1, 2001-Jan. 1, 2006

**Total Public Housing and Section 8**

	Eff/1 Bedroom						2 Bedroom						3 Bedroom					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	1237	1408	1698	1880	1824	2210	2852	2893	2807	3067	3054	3405	2546	2445	2430	2475	2622	2964
<b>Elderly</b>	1471	1434	1300	1486	1468	1472	405	378	551	329	289	312	15	15	17	13	21	24
<b>Total</b>	2708	2842	2998	3366	3292	3682	3257	3271	3358	3396	3343	3717	2561	2460	2447	2488	2643	2988

	4 Bedroom						5+ Bedrooms						Total					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	507	520	530	523	579	628	111	114	120	124	144	149	7253	7380	7585	8069	8223	9356
<b>Elderly</b>	1	0	0	1	1	2	0	0	0	0	0	0	1892	1827	1868	1829	1779	1810
<b>Total</b>	508	520	530	524	580	630	111	114	120	124	144	149	9145	9207	9453	9898	10002	11166

Source: HACP MIS archived rent roll profile of 1/1/01, 1/1/02, 1/1/03, 1/1/04, 1/1/05, 1/1/06

**Table 2-2 – Income of Households Served, Jan. 1, 2001-Jan. 1, 2006**

**Public Housing**

	<b>Under 30% AMI</b>						<b>30% to 50% AMI</b>						<b>51% to 80% AMI</b>					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Number</b>	3867	3512	3546	3413	3280	3078	1047	945	985	905	876	947	273	336	327	372	392	354
<b>Percent</b>	74%	73%	72%	71%	70%	69%	20%	20%	20%	19%	19%	21%	6%	7%	7%	8%	9%	8%

	<b>81% or Greater</b>						<b>Totals</b>					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Number</b>	53	51	67	131	108	101	5246	4844	4925	4821	4656	4480
<b>Percent</b>	1%	1%	1%	2%	2%	2%	100%	100%	100%	100%	100%	100%

**Section 8**

	<b>Under 30% AMI</b>						<b>30% to 50% AMI</b>						<b>51% to 80% AMI</b>					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Number</b>	2723	2980	3192	3604	3770	4706	980	1113	1076	1117	815	1021	192	174	252	351	734	919
<b>Percent</b>	70%	70%	71%	71%	70.5%	70.6%	25%	26%	24%	22%	15%	15.3%	5%	4%	5%	7%	14%	13.8%

	<b>81% or Greater</b>						<b>Totals</b>					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Number</b>	4	5	7	5	27	22	3899	4363	4527	5077	3899	6668
<b>Percent</b>	-	-	-	-	.5%	.3%	100%	100%	100%	100%	100%	100%

**Table 2-2 (Continued) - Total Income of Households Served, Jan. 1, 2001-Jan. 1, 2006 (LIPH and Section 8)**

**Total Public Housing and Section 8**

	Under 30% AMI						30% to 50% AMI						51% to 80% AMI					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Number</b>	6590	6195	6379	7017	7050	7784	2027	1968	1940	2022	1691	1968	471	447	535	723	1126	1273
<b>Percent</b>	72%	72%	71%	71%	70%	70%	22%	22.5%	22%	20%	17%	18%	5%	5%	6%	7%	12%	12%

	81% or Greater						Totals					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Number</b>	57	56	74	136	135	123	9145	8666	8928	9898	10002	11148
<b>Percent</b>	1%	.5%	1%	2%	1%	1%	100%	100%	100%	100%	100%	100%

Source: HACP MIS archived rent roll profile of 1/1/01, 1/1/02, 1/1/03, 1/1/04, 1/1/05, 1/1/06

**Table 2-3 – Pittsburgh Area (Allegheny County) Median Family Income Levels by Family Size, 2000 (Start of Demonstration)**

	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
30% of Median	\$9,350	\$10,700	\$12,500	\$13,400	\$14,450	\$15,500
50% of Median	\$15,600	\$17,850	\$20,050	\$22,300	\$24,100	\$25,850
80% of Median	\$25,000	\$28,550	\$32,100	\$35,700	\$38,550	\$41,400
Median	\$31,200	\$35,700	\$40,100	\$44,600	\$48,200	\$51,700

Source: HUD Notice PDR-00-01 “Estimated Median Family Income for FY 2000 (Allegheny County, PA., March 9, 2000)

**Table 2-4– Race / Ethnicity of Households Served, Jan. 1, 2001-Jan. 1, 2006**

**Public Housing**

	<b>Black</b>						<b>White</b>						<b>Hispanic</b>					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	3636	3373	3410	3227	3124	3083	165	100	180	288	167	178	2	2	20	26	21	20
<b>Elderly</b>	1008	988	950	927	1021	895	399	344	347	308	303	281	22	20	14	11	13	15
<b>Total</b>	4644	4361	4360	4154	4145	3978	564	444	527	596	470	459	24	22	34	37	34	35

	<b>Asian</b>						<b>Other</b>						<b>Total</b>					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	2	1	1	27	2	2	8	13	1	5	2	4	3813	3489	3612	3573	3316	3287
<b>Elderly</b>	1	3	2	2	2	1	3	0	0	0	1	1	1433	1355	1313	1248	1340	1193
<b>Total</b>	3	4	3	29	4	3	11	13	1	5	3	5	5246	4844	4925	4821	4656	4480

**Section 8**

	<b>Black</b>						<b>White</b>						<b>Hispanic</b>					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	2336	2933	2959	3465	3702	4767	800	916	962	968	1019	1228	7	23	33	35	39	52
<b>Elderly</b>	183	211	305	291	293	310	265	250	246	283	261	274	2	8	4	5	5	5
<b>Total</b>	2519	3144	3264	3756	3995	5077	1065	1166	1208	1251	1280	1502	9	31	7	40	44	57

	<b>Asian</b>						<b>Other</b>						<b>Total</b>					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	3	7	8	16	13	12	294	12	11	12	13	17	3440	3891	3973	4496	4786	6076
<b>Elderly</b>	1	3	0	0	0	1	8	0	0	2	1	2	459	472	555	581	560	592
<b>Total</b>	4	10	8	16	13	13	302	12	11	14	14	19	3899	4363	4528	5077	5346	6668

**Table 2-4 (Continued) - Total Race / Ethnicity of Households Served, Jan. 1, 2001-Jan. 1, 2006**

**Total Public Housing and Section 8**

	<b>Black</b>						<b>White</b>						<b>Hispanic</b>					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	5972	5825	5961	6692	6826	7850	965	979	1112	1256	1186	1406	9	25	53	61	60	72
<b>Elderly</b>	1191	1182	1169	1218	1314	1205	664	588	593	591	564	555	24	28	18	16	18	20
<b>Total</b>	7163	7007	7130	7910	8140	9055	1629	1567	1705	1847	1750	1961	33	53	71	77	78	92

	<b>Asian</b>						<b>Other</b>						<b>Total</b>					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	5	8	9	43	15	14	302	25	12	17	15	21	7253	7380	7585	8069	8102	9363
<b>Elderly</b>	2	6	2	2	2	2	11	0	0	2	2	3	1892	1827	1868	1829	1900	1785
<b>Total</b>	7	14	11	45	17	16	313	25	12	19	17	24	9145	9207	9453	9898	10002	11148

Source: HACP MIS archived rent roll profile of 1/1/01, 1/1/02, 1/1/03, 1/1/04, 1/1/05, 1/1/06

The racial composition of the HACP’s resident population has continued to remain relatively constant through MtW Year 5. On January 1, 2001, 78.3% of HACP residents (public housing and Section 8) were African American and 17.8% were white accounting for 96.1% of the HACP’s total resident Population. As of January 1, 2006, the racial composition of the HACP’s resident population was 81.2% African American and 17.6% white.

**Table 2-5 – Number of Households on the Wait List, Jan. 1, 2001-Jan. 1, 2006**

**Public Housing**

	Eff/1 Bedroom						2 Bedroom						3 Bedroom					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	109	218	311	682	995	861	86	138	88	254	662	376	45	46	37	122	350	248
<b>Elderly</b>	18	49	76	82	321	105	0	3	3	7	33	18	0	0	1	1	20	6
<b>Total</b>	127	267	387	764	1316	966	86	141	91	261	695	394	45	46	38	123	370	254

	4 Bedroom						5+ Bedrooms						Total					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	8	9	9	39	62	44	4	0	0	10	10	2	252	411	445	1107	2079	1531
<b>Elderly</b>	0	0	90	0	0	3	0	0	0	0	0	0	18	52	80	90	374	132
<b>Total</b>	8	9	9	39	62	47	4	0	0	10	10	2	270	463	525	1197	2453	1663

**Section 8**

	Eff/1 Bedroom						2 Bedroom						3 Bedroom					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	585	338	145	806	2098	1040	592	322	115	537	1436	599	275	147	62	261	737	281
<b>Elderly</b>	93	32	18	70	237	93	8	2	2	4	84	12	1	1	1	3	37	2
<b>Total</b>	678	370	163	876	2335	1133	600	324	117	541	1520	611	276	148	63	234	774	283

	4 Bedroom						5+ Bedrooms						Total					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	63	21	13	52	141	49	0	2	2	5	21	13	1515	830	337	1661	4433	1982
<b>Elderly</b>	0	0	0	0	6	1	0	0	0	0	0	0	102	35	21	77	364	108
<b>Total</b>	63	21	13	52	147	50	0	2	2	5	21	13	1617	865	358	1738	4797	2090

**Table 2-5 (Continued) - Total Number of Households on the Wait List, Jan. 1, 2001-Jan. 1, 2006**

**Total Public Housing and Section 8**

	<b>Eff/1 Bedroom</b>						<b>2 Bedroom</b>						<b>3 Bedroom</b>					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	694	556	456	1488	3093	1901	678	460	203	791	2098	975	320	193	99	383	1087	529
<b>Elderly</b>	111	81	94	152	558	198	8	5	5	11	117	30	1	1	2	4	57	8
<b>Total</b>	805	637	550	1640	3651	2099	686	465	208	802	2215	1005	321	194	101	387	1144	537

	<b>4 Bedroom</b>						<b>5+ Bedrooms</b>						<b>Total</b>					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	71	30	22	91	203	93	4	2	2	15	31	15	1767	1241	782	2768	6512	3513
<b>Elderly</b>	0	0	0	0	6	4	0	0	0	0	0	0	120	87	101	167	738	240
<b>Total</b>	71	30	22	91	209	97	4	2	2	15	31	15	1887	1328	883	2935	7250	3753

Source: HACP Occupancy Department

**Table ----- – Unit Sizes Of Households Containing Disabled Residents - January 1, 2006**

**Public Housing**

	<b>Eff / 1 Bedroom</b>	<b>2 Bedrooms</b>	<b>3 Bedrooms</b>	<b>4 Bedrooms</b>	<b>5+ Bedrooms</b>	<b>Total</b>
<b>Family</b>	349	213	99	38	17	716
<b>Elderly</b>	194	117	28	8	0	347
<b>Total</b>	543	330	127	46	17	1063

**Section 8**

	<b>Eff / 1 Bedroom</b>	<b>2 Bedrooms</b>	<b>3 Bedrooms</b>	<b>4 Bedrooms</b>	<b>5+ Bedrooms</b>	<b>Total</b>
<b>Family</b>	869	462	239	55	14	1639
<b>Elderly</b>	201	78	17	1	0	297
<b>Total</b>	1070	540	256	56	14	1936

**Total Public Housing and Section 8**

	<b>Eff / 1 Bedroom</b>	<b>2 Bedrooms</b>	<b>3 Bedrooms</b>	<b>4 Bedrooms</b>	<b>5+ Bedrooms</b>	<b>Total</b>
<b>Family</b>	1218	675	338	93	31	2355
<b>Elderly</b>	395	195	45	9	0	644
<b>Total</b>	1613	870	383	102	31	2999

Source: HACP MIS rent roll profile of 01/01/06

The HACP uses the definitions of disabilities used by the Social Security Administration. All households counted in Table ----- are public housing or Section 8 households in which the leaseholder has a verified SSI disability lowering rent payments. Members of the family with disabilities who are not the designated head of household are not included.

**Table 2-6– Race / Ethnicity of Disabled Households Served - Jan. 1, 2006**

**Public Housing Disabled Households**

	Black			White			Hispanic			Asian			Other			Total		
	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06
<b>Elderly</b>	295	312	286	53	60	88	1	4	5	1	2	1	0	1	0	350	<b>378</b>	<b>683</b>
<b>Family</b>	708	564	622	76	72	54	7	3	4	1	1	1	1	0	2	793	<b>641</b>	<b>380</b>
<b>Total</b>	<b>1003</b>	<b>876</b>	<b>908</b>	<b>129</b>	<b>132</b>	<b>142</b>	<b>8</b>	<b>7</b>	<b>9</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>1143</b>	<b>1019</b>	<b>1063</b>

**Section 8 Disabled Households**

	Black			White			Hispanic			Asian			Other			Total		
	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06
<b>Elderly</b>	113	136	170	91	104	123	3	3	3	0	0	0	0	0	9	207	<b>243</b>	<b>1631</b>
<b>Family</b>	859	700	1062	440	377	545	11	10	17	11	6	6	7	6	1	1328	<b>1099</b>	<b>305</b>
<b>Total</b>	<b>972</b>	<b>836</b>	<b>1232</b>	<b>531</b>	<b>481</b>	<b>668</b>	<b>14</b>	<b>13</b>	<b>20</b>	<b>11</b>	<b>6</b>	<b>6</b>	<b>7</b>	<b>6</b>	<b>10</b>	<b>1535</b>	<b>1342</b>	<b>1936</b>

**Total Race / Ethnicity of Disabled Households Served - Jan. 1, 2006**

	Black			White			Hispanic			Asian			Other			Total		
	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06
<b>Elderly</b>	408	448	456	144	164	211	4	7	8	1	2	1	0	0	9	557	<b>621</b>	<b>685</b>
<b>Family</b>	1567	1264	1684	516	449	599	18	13	21	12	7	7	8	7	3	2121	<b>1740</b>	<b>2314</b>
<b>Total</b>	<b>1975</b>	<b>1712</b>	<b>2140</b>	<b>660</b>	<b>613</b>	<b>810</b>	<b>22</b>	<b>20</b>	<b>29</b>	<b>13</b>	<b>9</b>	<b>8</b>	<b>8</b>	<b>7</b>	<b>12</b>	<b>2678</b>	<b>2361</b>	<b>2999</b>

Source: HACP MIS archived rent roll profile of 1/1/06

Note: A Disabled Household is a public housing or Section 8 household in which the leaseholder has a verified SSI disability lowering rent payments. Disabled members of the family who are not the designated head of household are not included.

**Table 2-7– Income of Disabled Households Served – Jan. 1, 2004 - Jan. 1, 2006**

**Public Housing Disabled Households**

	Under 30% AMI			30% to 50% AMI			51% to 80%			81% or Greater			Total		
	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06
<b>Number</b>	892	782	812	199	184	193	42	40	49	7	13	9	1140	1019	1063
<b>Percent</b>	78.2%	77%	76%	17.5%	18%	18%	3.7%	4%	5%	.6%	1%	1%	100%	100%	100%

**Section 8 Disabled Households**

	Under 30% AMI			30% to 50% AMI			51% to 80%			81% or Greater			Total		
	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06
<b>Number</b>	1197	1042	1414	306	270	269	32	30	249	0	0	4	1535	1342	1936
<b>Percent</b>	78%	78%	73%	20%	20%	14%	2%	2%	13%	0%	0%	0%	100%	100%	100%

**Total Income of Disabled Households Served - Jan. 1, 2006**

	Under 30% AMI			30% to 50% AMI			51% to 80%			81% or Greater			Total		
	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06	01/04	01/05	01/06
<b>Number</b>	2089	1824	2226	505	454	462	74	70	298	7	13	13	2675	2361	2999
<b>Percent</b>	78.1%	77%	74%	18.9%	19%	15%	2.8%	3%	10%	.2%	1%	0%	100%	100%	100%

Note: A Disabled Household is a public housing or Section 8 household in which the leaseholder has a verified SSI disability lowering rent payments. Disabled members of the family who are not the designated head of household are not included.

### **3.0 ADMISSIONS AND OCCUPANCY POLICIES**

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#### **Eligibility and Admissions Policies**

In late FY 2003, the HACP obtained relief from the Smith Decree, a consent order that had substantially governed the HACP's application, admission and transfer policies since 1987. With relief from the Smith Decree obtained, in FY 2004, the HACP completed planning for the implementation of site-based waiting lists.

In the first quarter of FY 2005, as requested, the HACP submitted proposed policies and procedures for the HACP's planned implementation of site-based waiting lists to HUD's FHEO (Fair Housing and Equal Opportunity) office for review. In February 2006, the HACP, at HUD's request, submitted a revised ACOP containing additional detail on the implementation of site-preference waiting lists. This revised submission is now under HUD review.

#### **Changes in Rent Policy**

The HACP made no changes in rent policy in FY 2005.

## 4.0 CHANGES IN THE HOUSING STOCK

### Discussion

In 2005, the HACP demolished a total of 120 units at Bedford Addition, 275 units at Garfield High-rise and sold 3 units as part of the HACP Homeownership Program. In addition, 1 52-unit mid-rise building in Oak Hill Phase 1A was re-classified from family to elderly. No additional mixed finance units came online during the

year. The Section 8 program expanded rapidly adding 1,322 units for an agency-wide gain of 1,199 units. From January 1, 2001 to January 1, 2006, the Section 8 program increased in size by 2,772 units (71%). During the same period, the number of units in the LIPH inventory declined by 1,608 units (20.0%).

**Table 4-1 – Units in the Inventory - January 1, 2001 to January 1, 2006**

### Public Housing

	Eff/1 Bedroom						2 Bedroom						3 Bedroom					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	1102	782	762	786	723	671	2653	1813	1742	1751	1767	1683	1894	1688	1690	1692	1701	1662
<b>Elderly</b>	1429	1529	1598	1673	1735	1660	423	427	423	423	423	275	0	0	0	0	0	0
<b>Total</b>	2531	2311	2360	2459	2458	2331	3076	2240	2165	2174	2190	1958	1894	1688	1690	1692	1701	1662

	4 Bedroom						5+ Bedrooms						Total					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	403	360	356	358	362	362	121	108	104	104	104	104	6173	4751	4636	4673	4657	4482
<b>Elderly</b>	0	0	0	0	0	0	0	0	0	0	0	0	1852	1956	2021	2096	2158	1935
<b>Total</b>	403	360	356	358	362	362	121	108	104	104	104	104	8025	6707	6657	6769	6815	6417

**Table 4-1 – Units in the Inventory - January 1, 2001 to January 1, 2006 (Continued)**

**Section 8**

	Eff/1 Bedroom						2 Bedroom						3 Bedroom					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	669	828	968	1229	1202	1648	1418	1526	1619	1737	1799	2228	1119	1178	1206	1258	1437	1783
<b>Elderly</b>	322	345	340	460	410	431	118	114	112	107	128	135	15	15	17	13	21	24
<b>Total</b>	990	1173	1308	1689	1612	2079	1526	1640	1731	1844	1927	2363	1134	1193	1223	1271	1458	1807

	4 Bedroom						5+ Bedrooms						Total					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	207	231	228	224	282	342	27	35	38	48	66	75	3440	3798	4059	4496	4786	6076
<b>Elderly</b>	1	0	0	1	1	2	0	0	0	0	0	0	456	474	469	581	560	592
<b>Total</b>	208	231	228	225	283	344	27	35	38	48	66	75	3896	4272	4528	5077	5346	6668

**Total Units in the Inventory - January 1, 2001 to January 1, 2006**

	Eff/1 Bedroom						2 Bedroom						3 Bedroom					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	1771	1610	1712	2015	1925	2319	4071	3339	3361	3488	3566	3911	3013	2866	2896	2950	3138	3445
<b>Elderly</b>	1751	1874	1938	2133	2145	2091	541	541	535	530	551	410	15	15	17	13	21	24
<b>Total</b>	3522	3484	3650	4148	4070	4410	4612	3880	3896	4018	4117	4321	3028	2881	2913	2963	3159	3469

	4 Bedroom						5+ Bedrooms						Total					
	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06	01/01	01/02	01/03	01/04	01/05	01/06
<b>Family</b>	610	591	584	582	644	704	148	143	142	152	170	179	9613	8549	8695	9169	9443	10558
<b>Elderly</b>	1	0	0	1	1	2	0	0	0	0	0	0	2308	2430	2490	2677	2718	2527
<b>Total</b>	611	591	584	583	645	706	148	143	142	152	170	179	11921	10979	11185	11846	12161	13085

Source: HACP MIS archived rent-roll profile 1/1/01, 1/1/02, 1/1/03, 1/1/04, 1/1/05, 1/1/06

**Table 4-2 - Change in the Inventory - January 1, 2001 through January 1, 2006**

	<b>1/1/2001</b>	<b>1/1/ 2002</b>	<b>1/1/ 2003</b>	<b>1/1/ 2004</b>	<b>1/1/2005</b>	<b>1/1/2006</b>	<b>Change</b>
Public Housing							
Conventional	7600	6203	6114	6114	6024	5626	<b>-398</b>
Mixed Finance	425	504	543	655	791	791	
Section 8	3896	4272	4528	5077	5346	6668	<b>+1332</b>
<b>Total</b>	<b>11,921</b>	<b>10,979</b>	<b>11,185</b>	<b>11846</b>	<b>12161</b>	<b>13360</b>	<b>+1199</b>

**Table 4-3 -Components of Change in the Mixed Finance Inventory - January 1, 2001 through January 1, 2006**

	<b>Development</b>	<b>1/1/2001</b>	<b>1/1/ 2002</b>	<b>1/1/ 2003</b>	<b>1/1/ 2004</b>	<b>1/1/2005</b>	<b>1/1/2006</b>	<b>Change</b>
PA-1-64	New Pennley Place	38	38	38	39	39	39	
PA-1-66	Allequippa MROP	0	99	80	80	80	80	
PA-1-68	Allequippa HOPE VI Phase 1A	97	97	97	97	97	97	
PA-1-72	Manchester I	20	20	20	20	20	20	
PA-1-73	Christopher Smith Terrace	25	25	25	25	25	25	
PA-1-74	Manchester II	25	25	25	25	25	25	
PA-1-75	Manchester III	18	18	18	18	18	18	
PA-1-76	Allequippa Phase 1B	101	101	101	101	101	101	
PA-1-78	Manchester Phase IVA	0	23	23	23	23	23	
PA-1-79	Allequippa HOPE VI Phase 1C	0	56	96	96	96	96	
PA-1-80	Silver Lake	0	0	0	75	75	75	
PA-1-81	Allequippa HOPE VI Phase 1D	0	0	20	56	56	56	
PA-1-82	Bedford Hills Phase 1A	0	0	0	0	24	24	
PA-1-83	Bedford Hills Phase 1B	0	0	0	0	50	50	
PA-1-85	North Aiken	0	0	0	0	62	62	
<b>Total</b>		<b>324</b>	<b>502</b>	<b>543</b>	<b>655</b>	<b>791</b>	<b>791</b>	<b>0</b>

Source: HACP Finance Department, derived from HUD-52728 Schedule A (See Part 14)

## 5.0 SOURCES AND USES OF FUNDS

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<b>FY 2004</b>	<b>CONSOLIDATED BUDGET CHART DESCRIPTIONS .....</b>	<b>5-1</b>
<b>TABLE 5-1</b>	<b>SOURCES OF FUNDS – CONSOLIDATED BUDGET AND UNAUDITED ACTUAL FOR FY 2005 .....</b>	<b>.5-2</b>
<b>TABLE 5-2</b>	<b>USES OF FUNDS – CONSOLIDATED BUDGET FOR CURRENT YEAR FY 2005.....</b>	<b>.5-4</b>
<b>TABLE 5-3</b>	<b>SUMMARIZED REVENUES AND EXPENSES - CONSOLIDATED ACTUALS FOR FY 2005.....</b>	<b>5-7</b>
<b>TABLE 5-4</b>	<b>RESERVES .....</b>	<b>.5-7</b>

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### Consolidated Budget Chart Descriptions

**Table 5-1** presents the FY 2005 HACP MtW sources of funds. The three MtW funding sources, Public Housing, MTW Section 8 and Capital Funds, are displayed showing the budgeted amounts versus the actual amounts of revenue received. A brief narrative that highlights the variances and provides an explanation follows the table.

**Table 5-2** presents the uses of funds in a similar fashion. Major expense categories are displayed, and the table is followed by a narrative highlighting the main causes of any variance.

**Table 5-3** summarizes the revenues and expenditures for the MtW program for the 2005 fiscal year.

**Table 5-4** provides a summary of the agency's Operating Reserves from the beginning of the year to the end of the year.

**Table 5-1 Sources of Funds - Consolidated Budget and Unaudited Actual FY 2005**

Revenue Category	Public Housing		MTW Sec 8		CFP		Total MTW	
	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual
<b><u>Income</u></b>								
Dwelling Rent	\$8,877,989	\$8,315,479	\$0	\$0	\$0	\$0	\$8,877,989	\$8,315,479
Non-Dwelling Rent	0	0	0	0	0	0	\$0	0
Investment Income	142,085	514,764	155,457	664,916	0	0	297,542	1,179,680
Other Income	430,301	465,470	0	0	0	0	430,301	465,470
<b><u>HUD Contributions</u></b>								
Operating Subsidy	30,492,381	28,566,537	0	0	0	0	30,492,381	28,566,537
Capital Grants	0	0	0	0	33,604,389	16,921,495	33,604,389	16,921,495
Section 8 Subsidies			33,398,084	32,888,513			33,398,084	32,888,513
<b>Total Revenues</b>	<b>\$39,942,756</b>	<b>\$37,862,250</b>	<b>\$33,553,541</b>	<b>\$33,553,429</b>	<b>\$33,604,389</b>	<b>\$16,921,495</b>	<b>\$107,100,686</b>	<b>\$88,337,174</b>

## **5.1 PLANNED VS. ACTUAL FUNDING VARIANCE EXPLANATION**

### **Operating Subsidy**

The 2005 MtW Plan called for \$30,492,381 in Operating Subsidy. The actual subsidy received was \$28,566,537 or \$1,925,844 less than anticipated. The decrease is due to the FY 2005 subsidy recission by HUD of 11.1%, normal variations in the calculation of our allowable expense level, and phase down subsidy on some units.

### **Dwelling Rent**

The 2005 MtW Plan anticipated \$8,877,989 in rental income. Actual rent receipts for 2005 were \$8,315,479 or \$562,510 under the anticipated amount, as a result of fewer public housing apartments occupied than planned during the course of 2005.

### **Investment Income**

The 2005 MtW Plan projected \$297,542 in investment income. Actual investment income was \$1,179,680, an increase of \$882,138 over plan. This increase resulted from escalating interest rates paid by financial institutions on deposits.

### **Other Income**

The 2005 MtW Plan projected \$430,301. The actual other income was \$465,470 or \$35,169 over the estimated amount. The increase is a result of an increase in the number of charges to resident accounts for legal fees, administrative fees, and maintenance fees.

### **MTW Section 8**

The MtW Plan projected \$33,398,084 in revenue for FY 2005. Actual income received was \$32,888,513. The decrease in the projection amounts to \$509,571, which is a result of a nationwide Section 8 funding recission of approximately 2.5%.

### **Capital Fund**

The 2005 MtW Plan projected \$33,604,389 of grant revenue. Actual grant revenue was \$16,921,495, a variance of \$16,682,894. This under budget amount is a result of delays experienced in capital projects, as the Authority recognizes revenue and draws down on capital grants as expenditures are made.

**Table 5-2 Uses of Funds - Consolidated Budget and Unaudited Actual FY 2005**

Expense Category	Original Budget	Revised Budget	Actual Expenses				Variance
			Public Housing	MTW Sec 8	CFP	MTW Total	
<b>Personnel Expenses</b>							
Administrative	\$20,936,282	\$10,077,751	\$6,157,295	\$1,822,120	\$1,629,765	\$9,609,180	\$468,571
Tenant Services	0	1,331,076	283,826	441,000	0	724,826	606,250
Maintenance	0	9,468,450	9,370,516	0	0	9,370,516	97,934
Protective Services	3,914,808	3,914,808	0	0	3,839,249	3,839,249	75,559
<b>Total Personnel</b>	<b>\$24,851,090</b>	<b>\$24,792,085</b>	<b>\$15,811,637</b>	<b>\$2,263,120</b>	<b>\$5,469,014</b>	<b>\$23,543,771</b>	<b>\$1,248,314</b>
<b>Non Personnel Expenses</b>							
Administration	\$8,198,715	\$8,228,982	\$5,930,043	\$2,139,846	\$1,448,150	\$9,518,039	(\$1,289,057)
Tenant Services	6,879,700	6,872,257	275,956	5,475,935	24,250	5,776,141	1,096,116
Utilities	11,866,746	11,866,476	13,331,277	0	0	13,331,277	(1,464,801)
Maintenance	2,535,441	2,667,191	2,794,429	1,417	0	2,795,846	(128,655)
Protective Services	232,000	237,560	0	0	389,060	389,060	(151,500)
General	3,303,710	3,291,253	2,066,164	18	0	2,066,182	1,225,071
<b>Total Non Personnel</b>	<b>\$33,016,312</b>	<b>\$33,163,719</b>	<b>\$24,397,869</b>	<b>\$7,617,216</b>	<b>\$1,861,460</b>	<b>33,876,545</b>	<b>(712,826)</b>
<b>Other Expenses</b>							
Non Routine Maintenance	\$27,500	\$27,800	\$18,547	\$0	\$0	\$18,547	\$9,253
Loss on Disposal of Assets	0	0	4,689,975	0	0	4,689,975	(4,689,975)
Capital Outlays	25,296,500	25,625,446	0	0	9,591,021	9,591,021	16,034,425
Landlord Payments (HAP)	26,633,311	26,633,311	13,460	32,920,632	0	32,934,092	(6,300,781)
<b>Total Other</b>	<b>\$51,957,311</b>	<b>\$52,286,557</b>	<b>\$4,721,982</b>	<b>\$32,920,632</b>	<b>\$9,591,021</b>	<b>\$47,233,635</b>	<b>5,052,922</b>
<b>Total Expenditures</b>	<b>\$109,824,713</b>	<b>\$110,242,361</b>	<b>\$44,931,488</b>	<b>\$42,800,968</b>	<b>\$16,921,495</b>	<b>\$104,653,951</b>	<b>\$5,588,410</b>

## **5.2 REVISED BUDGET VS ACTUAL EXPENSE VARIANCE EXPLANATION**

### **Personnel Expenses**

Budgeted personnel expenses for FY 2005 were \$24,792,085, and actual expenditures were \$23,543,771. The amount under budget is \$311,172.

### **Non-Personnel Expenses**

#### **Administration**

The budget for FY 2005 was \$8,228,982, and actual expenses were \$9,518,039. The amount over budget is \$1,289,057. The amount is attributable to \$1,367,329 under budget in legal and accounting, and \$1,573,826 under budget in Other category. The majority of the difference in the Other category reflects a longer time for participants in the Authority's homeownership program to complete the program and buy a home.

#### **Utilities**

Utilities were budgeted for \$11,866,476, and actual expenses were \$13,331,277. The amount over budget is \$1,464,801, as a result of increasing utility rates as well as increased consumption greater than projected due to severe winter weather conditions.

#### **Maintenance**

Maintenance expenditures were budgeted for \$2,667,191 actual expenses were \$2,795,846, or \$128,826 over budget as a result of a focus on vacant unit turnaround to prepare apartments for new residents.

#### **Tenant Services**

Tenant Services was budgeted for \$6,872,257, and actual expenses were \$5,776,141. In accordance with its MtW plan, the Authority made a \$ 5million contribution to a Youth Services Investment Fund. Total Tenant Services expenditures were under budget by \$1,096,116 as of a result of the implementation of performance-based resident self-sufficiency contract later in the year than originally budget.

#### **Capital Outlays**

Capital expenditures were budgeted for \$25,625,446, and actual expenses were \$9,591,021. The under budget amount was caused by delays in mixed finance projects. Not reflected in this amount, as it is outside the MtW Program, was Replacement Housing Factor expenditures in 2005, which were in excess of \$ 5 million.

#### **Landlord Payments (HAP)**

Housing Assistance Payments (HAP) were budgeted at \$26,633,311, and actual HAP expenditures were \$32,934,092 or \$6,300,781 greater than budget. This is a result of vouchers being reclassified to the MtW program, an increase in our average HAP and significant increases in the number of leased-up Housing Choice vouchers at a rate of increase greater than planned.

**Table 5-3 Summarized Revenues and Expenses - Consolidated Unaudited Actuals for FY 2005**

	<b>Public Housing</b>	<b>Section 8</b>	<b>CFP</b>	<b>Total MtW</b>
<b>Total Revenues</b>	\$37,862,250	\$33,553,429	\$16,921,495	\$88,337,174
<b>Total Expenditures</b>	44,931,488	42,800,968	16,921,495	104,653,951
<b>MtW Surplus (Deficit)</b>	<b>\$(7,069,238)</b>	<b>\$(9,247,539)</b>	<b>\$0</b>	<b>\$(16,316,777)</b>

**Table 5-4 Operating Reserves**

	<b>Beginning of Year January 1, 2005</b>	<b>Actual End of Year December 31, 2005</b>
	<b>(Audited)</b>	<b>(Unaudited)</b>
<b>Public Housing</b>	\$14,417,838	\$12,038,575
<b>Section 8 MtW</b>	23,028,416	13,780,877
<b>Total MtW</b>	<b>\$37,446,254</b>	<b>\$25,819,452</b>

## **6.0 CAPITAL PROGRAM – NEIGHBORHOOD STABILIZATION PROGRAM**

As part of the HACP Neighborhood Stabilization Program, HACP expended or obligated capital funds and other funds on numerous initiatives during the year 2005. All ongoing development initiatives are addressed below.

### **Manchester HOPE VI**

The private partner expected to develop these units did not perform, delaying this project. The HACP has taken on this task. HACP identified six sites for the final phase of the Manchester Development, and HACP has control of three of these sites. The City of Pittsburgh Urban Redevelopment Authority (URA) approved the transfer the other three properties to HACP. HACP has engaged one of its task ordered Architect and Engineering firms to prepare design documents for construction on these sites. Construction is tentatively scheduled to take place in October 2006.

No funds were obligated in 2005. Funds will be obligated in 2006 when a construction contract is awarded.

### **Allequippa Terrace HOPE VI (Oak Hill)**

The investment of \$119 million in public and private funds has transformed Allequippa Terrace (now called Oak Hill) into a modern, mixed income community. In 2003, construction was completed on an additional 56 affordable rental (low-income public housing) and 30 market rate rental units. Funds were budgeted in 2005 for completion of a community facility. The HACP Board of Commissioners approved \$2.1 for the private partner developer to complete renovation of the Wadsworth Hall community facility. However, negotiations with the developer on this facility and other issues remain unresolved.

No funds were obligated in 2005. Funds will be obligated in 2006 when the Authority awards the construction contract.

**Bedford / Middle Hill HOPE VI**

FY 2005 activities included demolition of 220 housing units (17 Buildings) on Whiteside Road that commenced in September 2005. The demolition of these units are scheduled to be completed by Spring of 2006. The funds allocated for demolition will be fully expended as the contractor completes the work and submits all invoices for payment to the Authority.

The demolished units at the Whiteside Road site will be replaced with 86 Public Housing Units, 45 LIHTC, and 40 Market Rate units. The funds that were obligated for planning and predevelopment activities will be fully expended as the Developer submits all invoices for payment to the Authority.

An application for low-income housing tax credits was submitted to the Pennsylvania Housing Finance Agency in April 2005 but was not approved. This adversely impacted the expenditure level of predevelopment funds that would have been used to cover legal and other third parties costs incurred to prepare for closing the transaction. A second application was submitted in October 2005 that was also denied. A third application will be submitted in April 2006.

	<b>2005 New Obligations</b>	<b>2005 Actual Expenditures</b>
<b>SOURCES</b>		
HACP Capital	\$1,439,010	\$265,596
HOPE VI / Other HUD	\$2,327,565	\$347,699
City of Pittsburgh		
Private Investment		
<b>TOTAL SOURCES</b>	<b>\$3,766,575</b>	<b>\$613,295</b>
<b>USES</b>		
Planning / Predevelopment	\$1,439,010	\$265,396
Demolition	\$2,327,565	\$347,699
Construction		
<b>TOTAL USES</b>	<b>\$3,766,575</b>	<b>\$613,095</b>

**REDEVELOPMENT – COMPREHENSIVE AND PARTIAL** – In 2005 the HACP initiated development activities for the comprehensive redevelopment of two of HACP’s most severely distressed public housing communities, Garfield Heights and Addison Terrace, and partial redevelopment of Northview Heights and Broadhead Manor.

**GARFIELD**

Garfield Heights is a severely distressed, 601-unit development built in 1966. The development consists of 326 family units and a 275 unit senior high-rise tower. The 275 unit high rise failed its assessment of long-term viability in 1998. In 2003, HACP was awarded a HOPE VI demolition grant to provide funding for the demolition of the high-rise tower. In 2004, HACP initiated the preparation of demolition specifications and continued the relocation of the remaining residents in the high rise to the newly constructed North Aiken Apartments and other suitable housing. Demolition of the high-rise was completed in 2005. Budget and expenses for the high rise demolition are included under Demolition below.

The 326 unit family portion of the community is also distressed. This development has one of the highest crime rates of all HACP communities and rehabilitation of these units is not feasible due to the high cost of renovation per unit and a poor site plan. During 2004, HACP began the planning process for the comprehensive redevelopment of the 326 family units. The long range goal for this community is to lower the density of the existing Garfield site and replace the public housing community with a 150 to 250 unit mixed-income community. In 2005, the HACP issued two RFPs (Request for Proposals) for development proposals, one for on site development, and one for off-site development. Demolition and pre-development activities are expected to begin in 2006. Budget and expenses for conceptual planning activities in 2005 are the only costs included in the redevelopment planning table below.

	<b>2005 New Obligations</b>	<b>2005 Actual Expenditures</b>
<b>SOURCES</b>		
HACP Capital		\$39,450
HOPE VI / Other HUD		
City of Pittsburgh		
Private Investment		
<b>TOTAL SOURCES</b>	<b>\$0</b>	<b>\$39,450</b>
<b>USES</b>		
Planning / Predevelopment		\$39,450
Demolition		
Construction		
<b>TOTAL USES</b>	<b>\$0</b>	<b>\$39,450</b>

**ADDISON TERRACE/ADDISON ADDITIONS**

Addison Terrace/Additions is a severely distressed family community comprised of 730 walk-up units. The 1998 Viability Assessment determined that due to the age of the units and the poor building configuration, there would be no reasonable amount of rehabilitation that could make these units viable. In the same 1998 Viability Assessment, the 149 unit Louis Mason Jr. senior high-rise (Addison Addition) failed its assessment of long-term viability and is subject to demolition under the HUD Mandatory Conversion Rule. The Lou Mason, Jr. senior high rise will be demolished once the replacement building is completed (please see Lou Mason Replacement below).

During 2005, HACP began the strategic planning process for the comprehensive redevelopment of the 730 family units. It is anticipated that this will be a five to eight year project with the long-range goal of lowering community density and replacing the concentration of low-income public housing units with a 500-550 unit mixed-income community.

Budget and expenses for conceptual planning activities in 2005 are included in the redevelopment planning table below.

	<b>2005 New Obligations</b>	<b>2005 Actual Expenditures</b>
<b>SOURCES</b>		
HACP Capital		\$126,999
HOPE VI / Other HUD		
City of Pittsburgh		
Private Investment		
<b>TOTAL SOURCES</b>	<b>\$0</b>	<b>\$126,999</b>
<b>USES</b>		
Planning / Predevelopment		\$126,999
Demolition		
Construction		
<b>TOTAL USES</b>	<b>\$0</b>	<b>\$126,999</b>

**NORTHVIEW HEIGHTS**

HACP’s Northview Heights community was constructed in 1963 and consists of 579 family dwelling units in 80 family buildings. These units are extremely isolated with limited community services available. Approximately 30% (170) of these units are vacant, largely due to low market demand, high density, and crime. In addition, Northview contains a 90 unit elderly high-rise with a higher than average vacancy rate. In an effort to improve the long-term viability of the whole community, HACP began evaluating partial demolition/redevelopment alternatives for this community. During 2005, HACP began the strategic planning with the assistance of a master planning firm and will continue to evaluate redevelopment alternatives during 2006.

Budget and expenses for conceptual planning activities in 2005 are included in the redevelopment planning table below.

	<b>2005 New Obligations</b>	<b>2005 Actual Expenditures</b>
<b>SOURCES</b>		
HACP Capital		\$49,500
HOPE VI / Other HUD		
City of Pittsburgh		
Private Investment		
<b>TOTAL SOURCES</b>	<b>\$0</b>	<b>\$49,500</b>
<b>USES</b>		
Planning / Predevelopment		\$49,500
Demolition		
Construction		
<b>TOTAL USES</b>	<b>\$0</b>	<b>\$49,500</b>

**Broadhead Manor**

After a catastrophic flood in September of 2004 made 48 of the 64 units at Broadhead Manor uninhabitable, and exposed fatal flaws with the site, alternatives to on-site redevelopment were explored. During 2005 the HACP engaged one of its task order contractors to evaluate redevelopment options for a nearby and vacant HUD owned foreclosed property. All of the elements required to make the project feasible were not present. In 2006, the HACP will work with residents and their representatives to determine the future direction of this community.

	<b>2005 New Obligations</b>	<b>2005 Actual Expenditures</b>
<b>SOURCES</b>		
HACP Capital		\$13,960
HOPE VI / Other HUD		
City of Pittsburgh		
Private Investment		
<b>TOTAL SOURCES</b>	<b>\$0</b>	<b>\$13,960</b>
<b>USES</b>		
Planning / Predevelopment		\$13,960
Demolition		
Construction		
<b>TOTAL USES</b>	<b>\$0</b>	<b>\$13,960</b>

**Demolition (Auburn Towers, St. Clair Village, Northview Heights, Glen Hazel Cove Place, Garfield High-Rise)**

During 2005, the HACP continued targeted demolition of obsolescent HACP buildings and communities. In 2005, the HACP completed the demolition of Glen Hazel Cove Place and Garfield highrise (in addition to the Bedford Dwellings Additions demolition referenced above). The selected demolition at Northview Heights will be completed in 2006. The demolition of Auburn Towers has been delayed until the work on the Kelly Street High Rise and the replacement Fairmont are completed. Planning for demolition activities at St. Clair Village also began in 2005.

The amounts represented in the chart below include the design work as well as the actual demolition costs. Funds will be fully expended as work is completed and contractors submit invoices for payments to the Authority.

	2005 New Obligations	2005 Actual Expenditures
<b>SOURCES</b>		
HACP Capital	\$1,818,600	\$978,304
HOPE VI / Other HUD		
City of Pittsburgh		
Private Investment		
<b>TOTAL SOURCES</b>	<b>\$1,818,600</b>	<b>\$978,304</b>
<b>USES</b>		
Planning / Predevelopment		
Demolition	\$1,818,600	\$978,478
Construction		
<b>TOTAL USES</b>	<b>\$1,818,600</b>	<b>\$978,478</b>

**REPLACEMENT SENIOR HOUSING** – IN 2005 the HACP continued to develop enhanced-services replacement housing for HACP’s elderly residents. In 2005 new senior housing development activities included the Fairmont Apartments and Lou Mason replacement.

**Fairmont Apartments (Auburn Replacement Housing)**

The building to replace the Auburn Towers is the Fairmont Apartments, a 60 unit mid-rise building. It is designated elderly- only and will provide replacement housing for Auburn Towers residents. During 2005, the HACP started construction activities. Projected 2005 expenditures were for the total remaining project costs, which are paid as work is in progress during the 18-month construction period. Construction is scheduled to be completed in August 2006. The amount obligated by the Authority includes a \$5,555,000 bridge loan that will be repaid with tax credit equity. Effectively, the total development cost is \$10,398,937. Funds will be fully expended as construction is completed and Developer submits invoices for payment to the Authority.

	<b>2005 New Obligations</b>	<b>2005 Actual Expenditures</b>
<b>SOURCES</b>		
HACP Capital	\$8,161,765	\$3,869,838
HOPE VI / Other HUD		
City of Pittsburgh		
Private Investment	\$7,792,172	\$540,000
<b>TOTAL SOURCES</b>	<b>\$15,953,937</b>	<b>\$4,409,838</b>
<b>USES</b>		
Planning / Predevelopment		\$431,780
Demolition		
Construction	\$15,953,937	\$3,978,058
<b>TOTAL USES</b>	<b>\$15,953,937</b>	<b>\$4,409,838</b>

**Lou Mason (Addison High-Rise) Replacement**

In December 2005, HACP closed on the financing for the Lou Mason Replacement housing facility. The facility will consist of 108 apartments and will include space for enhance services. Construction on the new building is scheduled to be completed by Fall 2007. HACP has also completed the design of the demolition for the existing Lou Mason highrise. Demolition of the building is expected to commence by fourth quarter in 2007. The amount obligated by HACP includes a \$4,000,000 bridge loan that will be repaid with tax credit equity. Effectively, the total development cost will be \$16,397,759. The funds will be fully expended as the construction is completed and the Developer submits all invoices for payment to the Authority.

	<b>2005 New Obligations</b>	<b>2005 Actual Expenditures</b>
<b>SOURCES</b>		
HACP Capital	\$13,124,759	\$1,989,863
HOPE VI / Other HUD		
City of Pittsburgh	\$650,000	\$0
Private Investment	\$6,623,000	\$0
<b>TOTAL SOURCES</b>	<b>\$20,397,759</b>	<b>\$1,989,863</b>
<b>USES</b>		
Planning / Predevelopment	\$964,812	\$964,812
Demolition		
Construction	\$19,432,947	\$1,025,051
<b>TOTAL USES</b>	<b>\$20,397,759</b>	<b>\$1,989,863</b>

## **7.0 CAPITAL PROGRAM – HOUSING PRESERVATION**

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The HACP was successful in implementing several Housing Preservation Program goals for 2005 including:

- Continuing the design of comprehensive improvements at properties that require major repairs over and above the normal day-to-day maintenance.
- Designing and installing life safety upgrades including security cameras systems and fire alarm system upgrades.
- Completing kitchen renovations and UFAS upgrades to several senior housing facilities.

The 2005 MtW Plan included large-sized modernization projects at both St. Clair Village and Northview Heights that were not completed. At St. Clair Village, a more comprehensive plan to combine demolition, comprehensive modernization, and new construction to create a new St. Clair Village led to the postponement of all planned modernization activities for inclusion in that larger plan.

Similarly at Northview Heights it was determined that several of the planned modernization items should be delayed until

redevelopment plans were further developed. At Kelly Street High Rise, completion of the design of the comprehensive modernization of this building was delayed due to the addition of enclosed balconies and central air conditioning as requested by the residents, UFAS renovations that are required by HUD, and a new water line to meet building code requirements.

The completion of the designs for the partial modernization projects planned for Pennsylvania-Bidwell, Finello Pavilion, and Glen Hazel High Rise took longer than originally anticipated because of the added complexities resulting for the requirement to make and certify additional UFAS modifications at these buildings.

The above factors at these six listed sites has resulted in a reduction of \$9.8 million of planned expenditures for 2005. Overall, the changes discussed above will result in a more efficient and effective use of funds. These Modernization construction and pre-development activities are expected to begin at the respective locations in 2006.

### **Table 7-1A FY 2005 Housing Preservation Capital Program Summary Update**

In the table that follows, the *Amount Budgeted 2005* reflects the amount that HACP planned to expend during 2005. The *Amount Obligated Under Contract* reflects the actual contract amounts that were obligated during 2005.

Community	Project	2005 Planned Expenditures	Amount Obligated Under Contract	Actual Expenditure 2005	Variance 2005 Planned & Actual Expenditures	Comments
Various	Hazardous Material Consultation	\$200,000	\$400,000	\$106,000	-\$94,000	Services for Hazardous Materials & LBP Risk Assessment started in 2005.
Various	Various A/E & Construction Management Services	\$464,000	\$4,400,000	\$1,330,539	\$866,539	Awarded task order contracts for construction management, general A/E services, site work, and security items in 2005.
Various	Central Maintenance Warehouse	\$1,400,000	\$0	\$0	-\$1,400,000	Planned amounts for a central maintenance facility were not expended as HACP has delayed action on this item pending issuance and analysis of new Operating Fund Rule implementation guidelines.
Various	A/E Section 504 Renovations	\$400,000	\$2,000,000	\$485,961	\$85,961	Design of and relocation for UFAS renovations for various communities including Pressley Street High Rise, Allegheny Dwellings, Homewood-North, and Glen Hazel were completed in 2005. In addition, 3rd Party Certifier contracts were awarded in 2005, as required by the Voluntary Compliance Agreement with HUD.
Bedford Dwellings, PA-1-02	Fire Alarm System Replacement	\$418,000	\$38,749	\$38,749	-\$379,251	An evaluation of the existing fire alarm system as part of planning for safety improvements took longer than anticipated and delayed the procurement of alarm system replacement. Design of fire alarm system replacement was completed and bids were received in 2005. Construction of fire alarm installation to begin in 2006.
Arlington Heights, PA-1-04	Fire Alarm System Replacement	\$50,000	\$20,646	\$3,500	-\$46,500	Evaluation of the current fire alarm system and other safety items determined that replacement of the fire alarm system and other safety items was not required. A site appraisal was performed.
Allegheny Dwellings, PA-1-05	Roof Replacements	\$100,000	\$620,000	\$615,000	\$515,000	Roof replacements on 11 buildings were completed in 2005. This project is being completed earlier than originally planned.

Community	Project	2005 Planned Expenditures	Amount Obligated Under Contract	Actual Expenditure 2005	Variance 2005 Planned & Actual Expenditures	Comments
Allegheny Dwellings, PA-1-05	Site Improvements	\$8,000	\$0	\$0	-\$8,000	Decided to pursue site improvements as part of the UFAS renovations for the entire community, which are planned to begin in 2006.
Allegheny Dwellings, PA-1-05	Fire Alarm System Replacement	\$50,000	\$440,000	\$92,000	\$42,000	Fire Alarm system replacement began in late 2005.
St. Clair Village, PA-1-07	Cooling tower replacement, site improvements, door replacement, dumpster pad reconfiguration, security improvements	\$500,000	\$15,853	\$15,853	-\$484,147	The plan for St. Clair Village changed in 2005 to pursue partial demolition, new construction, and modernization including extensive site work and reconfiguration of this community. Thus several planned improvements were postponed to be part of the larger and more comprehensive effort. The demolition application for approval to demolish 325 units at St. Clair was submitted in December 2005. Property survey was done in support of the partial demolition.
Northview Heights, PA-1-09	Fencing, furnaces, safety & security	\$1,500,000	\$394,290	\$394,290	-\$1,105,710	Since Northview Heights is planned for redevelopment, HACP decided not to pursue the fencing installations and to address replacement of furnaces individually on an as needed basis. However, security cameras were installed throughout the community in 2005.
Lou Mason, PA-1-13	Enclosed walkways & misc. building improvements	\$150,000	\$258,000	\$67,000	-\$83,000	Construction for the entrance enclosure began in 2005. Weatherproofing of all apartment entry doors was completed in 2005.

Community	Project	2005 Planned Expenditures	Amount Obligated Under Contract	Actual Expenditure 2005	Variance 2005 Planned & Actual Expenditures	Comments
Kelly Street, PA-1-14	Comprehensive Modernization	\$6,000,000	\$267,207	\$267,207	-\$5,732,793	Construction documents will be completed in 1st quarter 2006. The completion of the design for the comprehensive modernization was delayed due to the additions to the original scope including resident requested items such as enclosed balconies and central air conditioning, design of new water service to meet building code requirements, and UFAS renovations required by HUD.
PA-Bidwell, PA-1-15	Partial Modernization	\$1,200,000	\$189,555	\$189,555	-\$1,010,445	Design development documents completed in 2005. The completion of the design was delayed due to changes in the plans for UFAS renovations for this building.
Pressley Street, PA-1-17	Elevator Upgrades	\$20,000	\$302,000	\$24,337	\$4,337	Design for elevator modernization was complete and construction began in 2005.
Pressley Street, PA-1-17	UFAS Renovations	\$0	\$95,503	\$86,255	\$86,255	UFAS unit renovations were completed at Pressley in 2005, which were not originally planned for but required by the VCA.
Homewood-North, PA-1-20	Exterior door replacement & foundation repairs	\$110,000	\$752,220	\$721,072	\$611,072	Fencing was installed throughout the community to improve defensible spaces and respond to community need. Foundation repairs delayed in order to be combined with UFAS unit renovations required in many of the same units.
Scattered Sites - Various	Site improvements and comprehensive modernization of 8 units	\$1,125,000	\$185,000	\$184,543	-\$940,457	Concrete work was completed at several scattered sites in 2005. The design of the Comprehensive Modernization of 8 units was completed in 2005. However, the construction must be re-bid due to insufficient competition.

Community	Project	2005 Planned Expenditures	Amount Obligated Under Contract	Actual Expenditure 2005	Variance 2005 Planned & Actual Expenditures	Comments
Murray Towers, PA-1-31	Site Improvements	\$8,000	\$0	\$0	-\$8,000	It was determined that the site improvements would be included with the UFAS renovations for the common areas and site for this building.
Murray Towers, PA-1-31	Emergency Generators	\$52,000	\$7,000	\$4,500	-\$47,500	Design of emergency generator replacements was completed in 2005 and bids were received in Jan. 2006 for construction.
Murray Towers, PA-1-31	Boiler Replacement	\$200,000	\$20,000	\$13,000	-\$187,000	Design of boiler replacements was completed in 2005 and construction bids were received in Jan. 2006.
Murray Towers, PA-1-31	Kitchen Renovations	\$300,000	\$419,000	\$267,130	-\$32,870	Kitchen renovations construction was substantially complete in 2005.
Murray Towers, PA-1-31	Elevator Upgrades	\$0	\$304,000	\$13,861	\$13,861	Elevator upgrades were originally planned for 2006 at Murray Towers; however, the design of these upgrades were completed in 2005 and construction began in December 2005.
Glen Hazel High Rise, PA-1-33	Partial Modernization & finish balcony repairs	\$1,400,000	\$545,000	\$304,811	-\$1,095,189	The balcony repairs contract was closed in 2005. Design of the partial modernization of this high rise was completed in December 2005. Due to the large size of this project and complications due to the inclusion of UFAS elements, the design took longer than originally planned. Construction will begin in 2006.
Mazza Pavilion, PA-1-40	Boiler replacement	\$50,000	\$10,000	\$7,000	-\$43,000	The design of the boiler replacement was completed in 2005 and construction bids were received in January 2006. Construction will begin in March 2006.
Mazza Pavilion, PA-1-40	Kitchen Renovations	\$150,000	\$193,000	\$171,302	\$21,302	The construction of the kitchen renovations began in June 2005 and will be complete in April 2006.

Community	Project	2005 Planned Expenditures	Amount Obligated Under Contract	Actual Expenditure 2005	Variance 2005 Planned & Actual Expenditures	Comments
Caliguiri Plaza, PA-1-41	Site Improvements	\$90,000	\$0	\$0	-\$90,000	The completion of the design for site improvements was delayed due to changes for UFAS requirements. Construction will begin in 2006.
Caliguiri Plaza, PA-1-41	Emergency Generators	\$60,000	\$7,000	\$4,000	-\$56,000	The design for the emergency generator replacement was completed in 2005 and construction bids were received in January 2006.
Caliguiri Plaza, PA-1-41	Boiler & Chiller Replacements	\$280,000	\$62,000	\$40,578	-\$239,422	The design of the boiler and chiller replacements was completed in 2005 and Construction bids were received in January 2006.
Caliguiri Plaza, PA-1-41	Kitchen Renovations	\$370,000	\$685,000	\$615,000	\$245,000	The kitchen renovations were substantially complete in 2005.
Caliguiri Plaza, PA-1-41	Elevator Upgrades	\$0	\$305,000	\$11,000	\$11,000	The elevator upgrades were originally planned for 2006 but design for the upgrades was completed earlier than originally planned so construction began in late 2005.
Caliguiri Plaza, PA-1-41	Rooftop Unit Replacement	\$70,000	\$122,000	\$108,000	\$38,000	Installation of the rooftop unit was completed in 2005.
Finello Pavilion, PA-1-44	Interior renovations, site improvements, emergency generator, new chiller & rooftop unit.	\$480,000	\$209,010	\$45,870	-\$434,130	The design of the renovations and improvements began in April 2005. The completion of the design was delayed due to changes in the plans for UFAS renovations for this building.
Morse Gardens, PA-1-45	Emergency Generator	\$110,000	\$5,000	\$4,436	-\$105,564	The design of the emergency generator replacement was completed in 2005 and construction bids were received in Jan. 2006.
Morse Gardens, PA-1-45	Roof Replacement	\$150,000	\$144,000	\$144,000	-\$6,000	The atrium roof replacement that started in 2004 was completed in 2005.

Community	Project	2005 Planned Expenditures	Amount Obligated Under Contract	Actual Expenditure 2005	Variance 2005 Planned & Actual Expenditures	Comments
Morse Gardens, PA-1-45	New Chiller, Boiler, Rooftop Unit	\$280,000	\$74,000	\$57,000	-\$223,000	The design for the rooftop unit and chiller replacements was completed in 2005 and construction bids were received in Jan. 2006. During design it was determined that the boilers did not need replacement.
Carrick Regency, PA-1-46	Boiler & Chiller Replacements	\$280,000	\$52,000	\$33,649	-\$246,351	The design of the boiler and chiller replacements were completed in 2005 and construction will begin in early 2006.
Carrick Regency, PA-1-46	Rooftop Unit Replacement	\$70,000	\$121,000	\$108,000	\$38,000	The installation of the rooftop unit was completed in 2005.
Carrick Regency, PA-1-46	Kitchen Renovations	\$200,000	\$134,000	\$377,000	\$177,000	The kitchen renovations were substantially complete in 2005.
Carrick Regency, PA-1-46	Elevator Upgrades	\$0	\$304,000	\$14,000	\$14,000	The elevator upgrades were originally planned for 2006 but design for the upgrades was completed earlier than originally planned so construction began in late 2005.
Carrick Regency, PA-1-46	Emergency Generator	\$60,000	\$7,000	\$5,000	-\$55,000	The design of the emergency generator was completed in 2005 and construction will begin in early 2006.
Gualtieri Manor, PA-1-47	Boiler Replacement	\$200,000	\$20,000	\$13,000	-\$187,000	The design of the boiler installation was completed in 2005 and construction bids were received in January 2006.
Gualtieri Manor, PA-1-47	Kitchen Renovations	\$200,000	\$447,000	\$151,516	-\$48,484	The kitchen renovations were substantially complete in 2005.
<b>Totals:</b>		<b>\$18,755,000</b>	<b>\$14,575,033</b>	<b>\$7,135,514</b>	<b>-\$11,619,486</b>	

## **8.0 MANAGEMENT INFORMATION FOR ASSISTED UNITS**

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### **Leased (Section 8) Units**

As in previous MtW program years, the Section 8 Housing Choice Voucher Program (HCVP) has again experienced growth in MtW Year 5. The Section 8 Department has far surpassed its leasing objectives, and provided housing assistance to 6,668 families as of December 31, 2005. As part of an aggressive leasing initiative that began in July 2004, the HCVP has increased in size by over 30% in fiscal year 2005 and is fully leased.

### **Adjust Payment Standards to Market Conditions**

In MtW Year 3, the HACP analyzed the rental markets within the city of Pittsburgh in accordance with the MtW Plan and implemented Exception Payment Standards (120% of FMR) in two separate areas of the city. These two areas contain ten distinct neighborhoods, where market rents are generally higher than in surrounding areas. In MtW Year 5, the HACP had continued using the Exception Payment Standards and expanded their use to increase the options for persons with disabilities seeking housing that meets their needs.

The goals of this initiative in the Housing Choice Voucher Program are to:

1. Expand housing opportunities for HCVP families in areas of low poverty;

2. Reduce the financial hardships on families currently residing in low-poverty neighborhoods and on those families who want to lease in such neighborhoods;
3. Provide housing assistance in neighborhoods not previously accessed by HCVP families;
4. Increase the quality of the HCVP housing portfolio by leasing better quality housing in better neighborhoods; and
5. Provide additional housing assistance for families that include a person with a disability.

In 2004, the HACP had evaluated the success in expanding housing opportunities in those areas that the HACP has chosen to adopt Exception Payment Standards. The HACP analyzed the move-in dates of HCVP families residing in each of the Exception Rent Areas. The data showed that fifty-one (51%) of the families residing in HACP Exception Payment Standards Areas moved into their neighborhoods since the inception of the Exception Payment Standards. From this data, it is easy to conclude that the Payment Standards adopted by the HACP have encouraged leasing in non-impacted areas and are expanding housing opportunities.

### **Change Annual Re-examination to Every Two Years**

This initiative had been suspended for MtW Year 2 and was subsequently eliminated in Year 3.

### **Revision of the Verification Process**

In MtW Year 2, the Section 8 Department developed a demonstration program to consider all verifications current from the point of eligibility to the effective date of the lease. The overall design of the new process was part of a department wide re-engineering plan for the Section 8 program that began in 2001. The procedure became effective as a demonstration during MtW Year 3 and was fully implemented in MtW Year 4. In MtW Year 5, the success of this initiative continued. This method streamlines the processing of new tenancies so that initial leases are executed within a shorter amount of time and payments to owners are made more expeditiously. Moreover, the significant growth of the Housing Choice Voucher Program over the past two years was, to some extent, a result of this new method. Efficiencies created by eliminating additional verifications of income and other family circumstances throughout the lease-up process has allowed the HACP to manage more admissions each month by focusing on participant leasing rather than “re-verifying” that which had been previously verified.

### **HACP Owned and Managed Units**

#### **Rent Collections**

See Table 8-4 for Rent Collection data from FY 2001 through FY 2005.

Rents uncollected for FY 2005 were 2.36%, which is approximately equivalent to the rents uncollected percentage for FY 2003 and a .65% improvement over rents uncollected in FY 2004 (3.01%). It is to be noted that the 2.36% rents

uncollected percentage for FY 2005 does not include utility credits that were provided to scattered sites residents to adjust prior rent charges.

### **Work Order Turnaround**

During FY 2005, the HACP completed 55,338 total routine work orders with an average completion time of 3.08 days (vs. 3.16 days average completion time in FY 2004). (Routine work orders do not include cyclical or vacant unit turnaround work orders.) During this same period, the HACP completed or abated 3344 emergency work orders for the year in less than 24 hours. Only 1 emergency work order took more than 24 hours to complete.

### **Annual Inspections**

The HACP completed 100% of its unit and systems inspections for FY 2005.

### **Results of FY 2005 PHAS/REAC Physical Inspections**

HACP FY 2005 PHAS/REAC physical inspections were begun on March 13, 2006 and to date (March 16, 2006) no inspection results have been posted. Table 8-3 provides PHAS/REAC physical inspections scores for FY 2000, 2001, 2003 and 2004.

## **Safety And Security**

As of March 3, 2006, the HACP Police Department had a complement of thirty-one (31) sworn officers. The department includes a Chief, a Commander, six (6) Sergeants, and twenty-three (23) Officers. Also under the supervision of the Police Department are thirty (30) uniformed security guards and seven (7) security monitors that provide security in high-rise buildings and in one family community.

During FY 2005, the HACP continued with the following existing initiatives:

**Tip Line** – This tip line allows residents to anonymously report criminal activity that they have knowledge of and/or that they have witnessed. Seventy-six (76) calls on the tip line were recorded in FY 2005. The majority of the calls were in regards to illegal drug activity. The tip line program will continue in FY 2006.

**Silent Complaint Form** – In FY 2005, the HACP Police Department continued its use of silent complaint forms. The information provided on these forms continued to produce successful results in FY 2005. The silent complaint forms

remain the most common way for residents to report criminal activity to the Police Department.

**Allegheny County Juvenile Probation Department – Ride-Along Program** – During the year 2005, the Police Department's collaboration with Juvenile Probation Officers resulted in the apprehension of seventeen (17) juveniles wanted by the probation office. In FY 2006, the Police Department will concentrate the ride-along efforts in the communities of Northview Heights and St. Clair Village.

**Crime Prevention Officers** – For FY 2006, the Police Department has selected one (1) officer as a Crime Prevention Officer and another as an alternate. This position is designed to benefit all law enforcement officers and enhance successful community policing. The focus will be on current crime reduction strategies, which target citizens and neighborhood communities. Officers will be trained to present crime prevention programs to citizens of the Housing Authority communities.

**Table 8-1a Family Communities – Number of Units and Occupancy**

	January 1, 2001			January 1, 2002			January 1, 2003			January 1, 2004			January 1, 2005			January 1, 2006		
	Total	Number / %		Total	Number / %		Total	Number / %		Total	Number / %		Total	Number / %		Total	Number / %	
	Units	Occupied	%															
1-1 Addison Terrace	781	575	75%	781	509	67%	781	558	71%	781	583	75%	691	598	87%	691	589	85%
1-2 Bedford Dwellings	420	372	88%	420	375	89%	420	391	93%	420	371	88%	420	372	89%	420	379	90%
1-4 Arlington Heights	516	104	20%	150	94	62%	150	131	87%	150	135	90%	150	135	90%	150	133	89%
1-5 Allegheny Dwellings	282	240	85%	282	213	75%	282	258	92%	282	264	94%	282	257	91%	282	231	82%
1-7 St. Clair Village	680	278	41%	680	226	33%	456	226	50%	456	236	52%	456	216	47%	456	220	48%
1-8 Bedford Dwellings	460	386	84%	460	287	62%	460	210	46%	460	162	35%	460	31	7%	460	0	0%
1-9 Northview Heights	687	488	71%	687	452	66%	579	416	72%	579	399	69%	579	373	64%	579	388	67%
1-10 Glen Hazel Cove Place	39	35	90%	39	34	87%	39	36	92%	39	37	95%	39	20	51%	39	0	0%
1-11 Hamilton Larimer	30	14	47%	30	15	50%	30	26	87%	30	29	97%	30	28	93%	30	29	97%
1-12 Garfield Family	326	276	85%	326	257	79%	326	276	85%	326	272	83%	326	297	91%	326	301	92%
1-13 Addison Addition	45	44	98%	45	44	98%	45	44	98%	45	44	98%	45	43	96%	45	43	96%
1-20 Homewood North	135	120	88%	135	121	87%	135	122	90%	135	112	83%	135	122	90%	135	100	74%
1-22 Scattered Sites	82	77	94%	82	75	91%	82	81	99%	82	76	93%	82	73	89%	81	65	80%
1-32 Glen Hazel Low Rise	104	97	93%	104	99	95%	104	86	83%	104	96	93%	104	100	96%	104	103	99%
1-38 Glen Hazel Homes	15	14	93%	15	13	87%	15	10	67%	15	0	0%	15	0	0%	14	0	0%
1-39 Scattered Sites	59	55	93%	59	55	93%	59	54	92%	59	53	90%	59	51	86%	58	47	81%
1-42 Renova	18	16	89%	18	15	83%	18	17	94%	18	17	94%	18	16	89%	18	15	83%
1-43 Scattered Sites	4	4	100%	4	4	100%	4	4	100%	4	4	100%	4	4	100%	4	4	100%
1-50 Scattered Sites	25	23	92%	25	25	100%	25	24	96%	25	25	100%	25	20	80%	25	19	76%
1-51 Scattered Sites	25	23	92%	25	22	88%	23	23	100%	23	23	100%	23	20	87%	23	19	83%
1-52 Scattered Sites	30	30	100%	30	29	97%	30	29	97%	30	29	97%	30	29	97%	30	26	87%
1-57 Glen Hazel Disabled	6	6	100%	6	6	100%	6	6	100%	6	6	100%	6	6	100%	6	6	100%
1-62 Broadhead Manor	64	57	89%	64	57	89%	64	58	91%	64	62	97%	64	22	34%	64	12	19%
<b>Total</b>	<b>4833</b>	<b>3334</b>	<b>69%</b>	<b>4467</b>	<b>3027</b>	<b>68%</b>	<b>4133</b>	<b>3086</b>	<b>75%</b>	<b>4133</b>	<b>3035</b>	<b>74%</b>	<b>4043</b>	<b>2833</b>	<b>70%</b>	<b>4040</b>	<b>2729</b>	<b>68%</b>

**Table 8-1b Senior Communities – Number of Units and Occupancy**

	January 1, 2001			January 1, 2002			January 1, 2003			January 1, 2004			January 1, 2005			January 1, 2006		
	Total	Number	%															
	Units	Occupied		Units	Occupied		Units	Occupied		Units	Occupied		Units	Occupied		Units	Occupied	
1-9 Northview Heights	190	70	36%	95	71	75%	90	72	80%	90	72	80%	90	72	80%	90	79	88%
1-11 Auburn Tower	294	146	49%	294	136	46%	294	117	40%	294	84	29%	294	66	22%	294	100	34%
1-12 Garfield Elderly	275	116	42%	275	109	40%	275	98	36%	275	81	30%	275	0	0%	0	0	0%
1-13 Addison Elderly	149	102	68%	149	89	60%	149	89	60%	149	92	62%	149	90	60%	149	89	60%
1-14 Kelly St	165	89	55%	165	92	56%	132	103	78%	132	115	87%	132	69	52%	132	0	0%
1-15 PA-Bidwell	130	107	82%	130	97	75%	130	102	79%	130	112	86%	130	96	74%	130	106	82%
1-17 Pressley Street	212	186	88%	212	181	85%	212	147	69%	212	81	38%	212	150	71%	212	189	89%
1-29 East Hills	157	52	33%	157	47	30%	157	44	28%	157	0	0%	157	0	0%	157	0	0%
1-31 Murray Tower	70	68	97%	70	65	93%	70	68	97%	70	68	97%	70	66	94%	70	63	90%
1-33 Glen Hazel High Rise	111	94	85%	111	91	82%	111	96	87%	111	98	88%	111	96	86%	111	95	86%
1-40 Brookline	30	26	87%	30	29	97%	30	28	93%	30	28	93%	30	26	87%	30	26	87%
1-41 Caliguiri High Rise	104	101	97%	104	101	97%	104	101	97%	104	98	94%	104	98	94%	104	102	98%
1-44 Finello Pavilion	60	58	97%	60	60	100%	60	59	98%	60	58	97%	60	56	93%	60	56	93%
1-45 Morse Gardens	70	67	96%	70	69	99%	70	69	99%	70	70	100%	70	70	100%	70	69	99%
1-46 Carrick Regency	66	62	94%	66	64	97%	66	65	99%	66	64	97%	62	62	94%	66	63	95%
1-47 Gualtieri Manor	31	26	84%	31	29	93%	31	30	97%	31	30	97%	28	28	90%	31	23	74%
<b>Total</b>	<b>2114</b>	<b>1370</b>	<b>65%</b>	<b>2014</b>	<b>1330</b>	<b>66%</b>	<b>1981</b>	<b>1288</b>	<b>65%</b>	<b>1981</b>	<b>1151</b>	<b>58%</b>	<b>1981</b>	<b>1045</b>	<b>53%</b>	<b>1706</b>	<b>1060</b>	<b>62%</b>

**Table 8-2 Mixed Finance Units – Number of Units and Occupancy**

	January 1, 2001			January 1, 2002			January 1, 2003			January 1, 2004			January 1, 2005			January 1, 2006		
	Total	Number	%	Total	Number	%	Total	Number	%	Total	Number	%	Total	Number	%	Total	Number	%
	Units	Occupied		Units	Occupied		Units	Occupied		Units	Occupied		Units	Occupied		Units	Occupied	
1-3 Allequippa	84	84	100%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%
1-64 New Pennley Place	38	38	100%	38	38	100%	38	36	95%	39	39	100%	39	39	100%	39	39	100%
1-66 Oak Hill MROP	99	99	100%	99	95	96%	80	74	93%	80	78	98%	80	79	99%	80	76	95%
1-68 Oak Hill Phase 1A	97	97	100%	97	97	100%	97	97	100%	97	97	100%	97	96	99%	97	96	99%
1-72 Manchester I	20	20	100%	20	20	100%	20	20	100%	20	19	95%	20	20	100%	20	20	100%
1-73 Christopher Smith	25	25	100%	25	25	100%	25	25	100%	25	23	92%	25	23	92%	25	25	100%
1-74 Manchester II	25	25	100%	25	25	100%	25	25	100%	25	23	92%	25	25	100%	25	25	100%
1-75 Manchester III	18	18	100%	18	18	100%	18	18	100%	18	16	89%	18	18	100%	18	28	100%
1-76 Oak Hill Phase 1B	101	101	100%	101	101	100%	101	100	99%	101	98	97%	101	101	100%	101	99	98%
1-78 Manchester IVA	23	23	100%	23	23	100%	23	23	100%	23	20	87%	23	19	83%	23	22	96%
1-79 Oak Hill Phase 1C				3	3	100%	96	96	100%	96	96	100%	96	93	97%	96	94	98%
1-80 Silver Lake Commons										75	74	99%	75	74	99%	75	73	97%
1-81 Oak Hill Phase 1D							20	8	40%	56	55	98%	56	56	100%	56	55	98%
1-82 Bedford Phase 1A													24	23	96%	24	24	100%
1-83 Bedford Phase 1B													50	50	100%	50	50	100%
1-85 North Aiken													62	62	100%	62	60	97%
<b>Total</b>	<b>530</b>	<b>530</b>	<b>100%</b>	<b>449</b>	<b>445</b>	<b>99%</b>	<b>543</b>	<b>522</b>	<b>96%</b>	<b>655</b>	<b>638</b>	<b>97%</b>	<b>791</b>	<b>778</b>	<b>98%</b>	<b>791</b>	<b>786</b>	<b>99%</b>

**Table 8-3 FY 2000 - 2001 – 2004 REAC Inspection Scores**

	2000	2001	2003	2004
1-1 Addison Terrace	46c	78c	69c	54c
1-2 Bedford Dwellings	70c	86c	62c	46c
1-4 Arlington Heights	64c	89b	81b	60b
1-5 Allegheny Dwellings	56c	93b	68b	50c
1-7 St. Clair Village	50c	76c	69c	46c
1-8 Bedford Dwellings Addition	49c	81c	50c	49c
1-9 Northview Heights	41c	84c	68b	48c
1-10 Glen Hazel Heights	70c	67c	60c	-
1-11 Hamilton – Larimer/Auburn	44c	94b	41b	40c
1-12 Garfield Heights	28c	87b	67b	26c
1-13 Addison Addition	39c	82b	69c	56c
1-14 Kelly Street High Rise	61c	93c	72b	73c
1-15 Pennsylvania-Bidwell	74c	94c	71b	67c
1-17 Pressley Street Hi-Rise	45c	97b	97a	76c
1-20 Homewood North	43c	82c	67c	51c
1-22 Scattered Sites	66c	86c	60b	61c
1-29 East Hills High Rise	43c	88c	-	-
1-31 Murray Tower	83b	93b	95b	80b
1-32 Glen Hazel Low Rise	62c	85b	61b	74c
1-33 Glen Hazel High Rise	58b	67c	85c	78c
1-38 Glen Hazel	72c	75c	100a	-
1-39 Scattered Sites	57c	94c	56c	55c
1-40 Frank H. Mazza Pavilion	88a	99a	98b	76c
1-41 Caligiuri Plaza	69c	98b	88b	60c
1-42 Renova	63b	90b	78c	78c
1-43 Flowers Street	94a	90b	93a	89b
1-44 Finello Pavilion	85c	96b	88a	77c
1-45 Morse Gardens	72b	99c	79a	63c
1-46 Pietragallo Regency	95b	83b	82b	82b
1-47 Gualtieri Manor	53c	96b	91b	33b
1-50 Scattered Sites	67c	91b	54c	58c
1-51 Scattered Sites	83c	80c	77b	54c
1-52 Scattered Sites	74b	89b	71b	47c

**Table 8-3 FY 2000 - 2001 – 2003 REAC Inspection Scores (continued)**

	2000	2001	2003	2004
1-57 Glen Hazel - Wheel Chair	74a	93a	87b	76c
1-62 Broadhead Manor Targeted	58c	82c	68c	63b
1-64 New Pennley Place	-	96b	96b	77c
1-66 Allequippa Terrace MROP	-	89b	96b	82c
1-68 Allequippa Terrace 1A	77c	98a	99a	86b
1-72 Manchester Phase I Replacement	79b	99a	89b	96a
1-73 Christopher Smith (Riverview)	93b	98a	99a	91b
1-74 Manchester Phase II A & B	72c	95b	84b	75c
1-75 Manchester Phase III (HOPE VI)	-	100b	94b	87c
1-76 Allequippa Phase 1B	70c	99b	98b	97c
1-78 Manchester Phase IV	76c	97a	89b	71c
1-79 Oak Hill Phase 1C	-	-	99b	92c
1-80 Silver Lake	-	-	-	94c
1-81 Oak Hill Phase 1D	-	-	-	99a
1-82 Bedford Hills Phase 1A	-	-	-	99a
1-83 Bedford Hills Phase 1 B	-	-	-	99b
1-85 North Aiken	-	-	-	-
<b>Agency-Wide Total</b>	<b>50.7</b>	<b>85.6</b>	<b>71</b>	56.4

**Table 8-4 – Rents Collected**

**Dwelling Rent Only**

<b>Fiscal Year</b>	<b>Rent Run</b>	<b>Rental Payments</b>	<b>% Collected</b>	<b>% Uncollected</b>	<b>Total</b>
<b>FY 2001</b>	9,958,064	9,624,059	96.65%	3.35%	100%
<b>FY 2002</b>	9,535,564	9,325,018	97.79%	2.21%	100%
<b>FY 2003</b>	9,422,391	9,198,250	97.62%	2.38%	100%
<b>FY 2004</b>	10,123,879	9,819,467	96.99%	3.01%	100%
<b>FY 2005</b>	9,802,390	9,570,583	97.64%	2.36%	100%

## 9.0 RESIDENT PROGRAMS

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### Improving Program Elements to Achieve Program Goals

The HACP REAL (Realizing Economic Attainment for Life) Program completed the following program elements in 2005:

- **REAL LIPH Service Coordinators were placed in all site offices**
- **(658) residents were enrolled in FSS.** (The 2005 goal was 580 residents enrolled in FSS by the end of the year.)
- **(337) residents were assisted with recertification.**
- **(123) residents enrolled in home ownership.**
- **(626) residents signed contracts of participation.**
- **(177) individual client goals attained.**
- **(29) participants actively accruing Escrow Account funds**

The REAL Program updated its manual and streamlined the process for referrals. In addition, breakfast meetings were held with maintenance personnel to explain the referral process and to encourage them to notify service coordinators of potential situations where services maybe required. A weekend on call

system was implemented for the FSS program, which included referrals to domestic violence agencies and emergency food, if required. The agency also placed emergency food assistance and the distribution of used furniture in the REAL Program. The performance of each service coordinator was tracked monthly and bi-annual peer file reviews were completed to maintain file accuracy.

In 2005, the Authority, after meeting initially with service providers, found that it needed develop an annual service plan. This was completed and in 2006 the provider council will evaluate the annual service plan, assess outcomes and will make recommendations to close service gaps. The composition of the provider council consists of the principal from Milliones Middle School, Deputy Director of Allegheny County Department of Human Services, Director of BJWL program, Associate Director of YouthPlaces, Executive Director of Ursiline Services, Representative of Adult Agency on Aging, President of Bedford Dwellings Tenant Council and Program Director of Umoja with Nia.

The community-planning model (as discussed in the FY 2005 Annual Plan) was implemented and all tenant councils completed assessments of individual community service needs and development of community service plans. However, it was discovered in order to complete the other components of the community-planning model, the agency needed to provide training to residents. This training will be provided through the Resident Leadership Institute in 2006.

**Planned Program Goals and Outcomes**

FY 2005 Goal	Performance	Outcome
Assessment and Service Plan Completed: 20% of all 2900 low income public housing families will be enrolled in the program and have completed an assessment and service plan by the end of 2004. This translates to 580 participants	23% (658) residents are enrolled and have completed assessments.	Goal Met
Individual goals achieved: 35% of those enrolled or 203 participants will achieve the goals identified in their service plans for 2005.	31% (177) of the residents enrolled achieved identified goals	Goal Not Met
Employment Secured: 15% of those enrolled or 87 participants will secure employment during this period. For measurement purposes, secure will mean to be hired and maintain employment for at least three months and until the end of the tracking period (calendar 2004). Persons terminated for cause or resigning from employment will not be considered to have secured employment for tracking purposes. Persons terminated as part of a company downsizing or layoff will be considered to have secured employment for tracking purposes.	33% (189) of the residents enrolled secured employment.	Goal Met
Income increased: 15% of those enrolled or 87 participants will show increased family income as a result of employment activities during the reporting period.	33 % (189) of the residents showed an increase in family income.	Goal Met
Enroll in and complete job training and/or education curriculum (includes job readiness): 35 % of those enrolled or 203 participants will attend and successfully complete a job readiness, job training, or education curriculum during the reporting period. To be considered, programs must have a defined and structured curriculum and include at least 20 hours of formal training. On-line or independent study activities will count if they result in the awarding of GED, post secondary degree, or professional certification.	37 % (214) residents enrolled and completed job training	Goal Met

## **Improvements to Self-Sufficiency Programs**

In 2005, the REAL Program continued its strategy of blitzing family communities, but added mailings, which included information on the program as well as Cupboard of Hope and emergency contact information. In addition, the program was marketed at Section 8 briefings, community days, and events sponsored by other agencies such as employment fairs, home ownership sessions and evening orientation sessions.

The department instituted evening hours each Wednesday. Seminars were held on employment, job search, home ownership and credit repair. The Family Investment Centers (FIC) all featured evening program hours and Service Coordinators were available to meet clients and call persons they were unable to reach between 8:00am to 4:00pm. In conjunction with site offices, service coordinators made home visits to persons who were facing eviction and assisted other agencies in contacting HACP residents with special needs.

The resident employment program held (2) job fairs and (15) orientations. The job fairs included entry level employers, the Clerk of Courts (to expunge criminal records) and training agencies such as CCAC (Community College of Allegheny County), Bidwell Training Center and Forbes Road Technical Institute Residents attending were referred either by service coordinators, resident council officers or through mailings to leaseholders about job training and Section 3 opportunities. These sessions included a work place orientation and a drug screen for those seeking employment through section 3. Once the orientation was completed service coordinators worked with clients to address potential employment barriers. Through

the Hope Center, participants were able to obtain GED instruction, computer training and participate in C.N.A. training.

REAL Program staff received training from Pittsburgh Action Against Rape for Domestic Violence, job search by CareerLink, and mental health indicators/family crisis Management by Yvonne Brown MSW and Mediation by Behrand Mediation Services.

The Resident Training Institute was initiated to focus on the implementation of the community-planning model. The Director of Resident Self-Sufficiency conducted five of the sessions. The residents also attended a conference in the Spring of 2005 held in conjunction with Allegheny County Housing Authority, which featured seminars on financial management, community empowerment, and creating change. HACP also provided residents with basic computer training, instruction in the use of the computer for marketing and training in Quicken Software for financial reporting.

## **Youth Development and Intervention Initiative**

In 2005, the agency committed \$665,000.00 to the Youth Development and Intervention Initiative. Contracts were awarded to (4) agencies to serve (6) family communities identified because of the number of the youths between ages of 13 and 18 residing in those communities.

The contracts were established on a performance basis with 25% of the contract being paid out to the contractor for enrollment, 50% for the attainment of specific program measures and 25% to be paid out based on program outcomes. These programs were established to serve (350) youth. These contracts will conclude in February 2006.

HACP, as a supplement to the Youth Development Initiative, also established a youth employment program in the communities served by the Youth Development and Intervention Initiative. The program featured job readiness training and career exploration for young people 13-18, job training work experience for in school youth 16-18 and job readiness training, work experience and job search for out of school youth 18-21.

The programs have served (621) youth as of 12/31/05 and The Board of Commissioners voted in February 2006 to award contracts for the program to continue until 12/31/06. One contract will be re-procured based on poor contractor performance. An analysis of both programs will be provided to Housing Authority Board of Commissioners in April 2006.

### **Youth Services Endowment Fund**

In July 2005, the HACP Board of Directors approved the expenditure of \$5,000,000 to create a Youth Services Investment Fund (YSIF). The purpose of the fund is to improve the outcomes for HACP resident youth, ages 13-21, through investment in programs that result in academic success, career development and good citizenship. The goals of this fund are to provide financial support to evidence-based, outcome-oriented

programs in public housing communities and to engage stakeholders for a sustained period to improve program quality, coverage and connections.

The Youth Services Investment Fund is a donor advised fund. The fund was established at The Pittsburgh Foundation, one of the largest community foundations in the country, with investment management services provided by Mellon Bank, N. A. These entities were selected through a publicly advertised solicitation and selection process. The fund (described as the Youth Services Endowment Fund in the HACP's FY 2005 MTW Annual Plan), relies on the HACP's initial investment of \$5,000,000 and a conservative average annual rate of return of 5% to generate a projected \$500,000 per year to support youth programs in public housing for the 10 year planned existence of the fund. The life of the fund may be extended if outside sources of revenue are found. This effort is on track to begin functioning in FY 2006.

The YSIF has two advisory committees – an Investment Advisory Committee and a Grants and Programs Advisory Committee.

The Investment Advisory Committee advises The Pittsburgh Foundation and Mellon Bank, N. A. on the investment policies, goals and guidelines for the fund's investments and will monitor the financial performance of the fund's assets. The Investment Advisory Committee, whose initial members include the HACP Chief Financial Officer, an HACP Board Member, and a local foundation executive, met and established investment guidelines prior to the dispersal of funds. It is currently expected that this committee will meet twice a year.

The Grants and Programs Advisory Committee will:

- Establish policies and priorities for funding awards based on the purposes of the fund
- Make funding suggestions and recommendations for grant making and contract awards
- Recommend persons (if any) to be hired to provide administrative and program support to carry out the purposes of the fund
- Recommend goals and priorities for any such staff and assist in the evaluation of such staff an
- Meet four times a year.

The grants and program advisory committee includes the HACP Executive Director, the Director of the County Department of Human Services, and HACP Board Member, a local foundation program officer, and a HACP resident. IN 2006 additional members will be added including a young person who resides in public housing. It is expected that the youth services investment fund will do an assessment of current youth development initiative programs and begin reviewing proposals for grant awards by late Spring 2006.

### Continuing Programs

HACP continued to provide a number of programs designed to enhance the quality of community life. A breakdown of these programs is listed below along with a leverage report, which provides the dollar amounts leveraged by HACP's collaboration with its service partners.

During the Summer 2005, HACP offered a full slate of activities for youth. The activities included basketball & football camps, Golf instruction, Boy Scout and Girl Scout camps, Ammons basketball league, Summer Employment Program, Computer camp and a trip to the football Hall of Fame. The above was achieved thru collaborations with the BJWL, Knowledge Connection, Boy Scouts, Girl Scouts, UMOJA with Nia, Family Resources, Youth Places, Macedonia and Grace Memorial Churches.

<b>Program</b>	<b>HACP Contribution</b>	<b>Additional Agency Support</b>	<b>Total Funding</b>
Allegheny County Department of Human Services (OVOL)	\$125,000.00	\$171,440.00	\$296,440.00
Allegheny County Department of Human Services (SLEP)	\$87,560.00	\$375,000.00	\$462,560.00
Allegheny County Library Association	\$37,560.00	\$106,220.00	\$143,780.00

<b>Program</b>	<b>HACP Contribution</b>	<b>Additional Agency Support</b>	<b>Total Funding</b>
Beverly Jewel Walls Lovelace Children's Program (Summer Program)	\$6,000.00	\$10,425.00	\$16,425.00
Boys Scouts of America	\$5,000.00	\$350.00	\$5,350.00
Family Resources of Western Pennsylvania	\$257,287.00	\$54,600.00	\$311,887.00
Garfield Jubilee Association	\$95,507.00	\$9,000.00	\$104,507.00
Girl Scouts of America	\$5,000.00	\$300.00	\$5,300.00
Glade Run	\$46,089.00	\$300.00	\$46,389.00
Urban Youth Action	\$150,883.00		\$150,883.00
Youth Places	\$262,950.00	\$125,000.00	\$387,950.00
<b>Total</b>	<b>\$1,078,836.00</b>	<b>\$852,635.00</b>	<b>\$1,931,471.00</b>

## **10.0 REAL ESTATE PROGRAMS**

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### **HACP Homeownership Program**

On July 28, 2004, the HACP Board of Directors approved in full the HACP Homeownership Program. From 1996 to 2004 the HACP operated the highly successful Mission Homeownership program. In the over 8 years of Mission Homeownership's existence, the program helped over 90 low-income residents (from either HACP-managed public housing or Section 8) become first time homeowners. During FY 2004 prior to the approval in July of the HACP's new, more comprehensive and expanded homeownership program, 9 additional HACP low-income households purchased under Mission Homeownership as that program was being phased out.

The Mission Homeownership program was highly successful as a program that largely relied on referrals to outside resources to accomplish its goals. The HACP's new Homeownership Program expands upon the success of the Mission Homeownership and utilizing the flexibility of Moving to Work provides potential low-income homebuyers with a single point of contact for assistance through the home buying process. The HACP's new homeownership program informs HACP residents of homeownership opportunities (including the purchase of HACP scattered sites properties), arranges homebuyer education and credit counseling, provides savings (through escrow accounts) and mortgage assistance, provides complete homeownership closings and provides a foreclosure reserve fund to reduce the risk of mortgage defaults.

Between the HACP Board of Directors approval of the expanded Homeownership Program and the end of FY 2004, 3 HACP residents bought homes under the new program bring the total number of homes sales completed under both programs to 12 during FY 2004.

In support of the HACP Homeownership Program, the HACP has formed close working relationships with the mortgage processing departments of 4 banks: National City, Sky, Dollar and Citizens. In FY 2004, the HACP procured contracts to provide potential homebuyers in the program with appraisal, closing, settlement, homeowner education and credit counseling services. The HACP reimburses homebuyers within the program for home inspection, pest inspection, radon inspection, mold inspection and surveying services selected by the homebuyer from an approved list of vendors.

As of December 31, 2005, there were over 400 families who completed the homeownership education class, 33 families had escrow agreements, 34 had secured mortgage pre-approval letters, 10 had signed letters of intent to purchase HACP owned single family homes, 190 families were receiving credit counseling and 23 real estate closings have been completed (from January 1, 2005 to December 31, 2005) within the City of Pittsburgh.

**11.0 OTHER INITIATIVES**

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**ASSET MANAGEMENT SYSTEM.....1**

**ASSET MANAGEMENT MONITORING MEASURES.....2**

**TRANSITION TO ASSET/SITE-BASED MANAGEMENT.....3**

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**ASSET MANAGEMENT SYSTEM**

In 2005, HACP implemented an asset management system for the oversight of all of HACP’s communities, including those owned and operated by private entities.

Under the new asset management system a Real Estate Asset Manager monitors each property. Each of HACP’s three Real Estate Asset Managers has a mixed portfolio of both HACP operated properties and privately managed properties. The Real Estate Asset Managers and the HACP use a standardized system of monitoring measures, performance goals, and regular reporting. This asset management system provides HACP with the capability of managing these divergent communities consistently. The initial phase of Asset Management System implementation uses a number of key data elements for both HACP managed and privately managed sites. This is discussed further below.

**ASSET MANAGEMENT MONITORING MEASURES**

Past years’ MtW plans and reports have often referred to asset management as well as site-based management. The terms are not used interchangeably. Asset management refers to the regular performance monitoring and goal setting for low-income public housing (LIPH) assisted communities regardless of the internal management or ownership structure of the communities. Site-based management refers specifically to the organizational structure of a decentralized property management entity in which individual property managers are given extensive control of operations at their respective communities with support from centralized service and administrative functions. At the beginning of the MtW demonstration project, the HACP (like most public housing agencies) managed individual LIPH communities through multiple centralized departments. The HACP has transitioned from a centralized property management system to a site-based property management system. This transition is, arguably, the

largest organizational change in the history of the HACP. The transition of the HACP to a site-based organizational structure is discussed further below.

The core of the HACP's asset management/site-based management systems are the monitoring measures and reporting systems put into place to assess the operational performance of individual communities.

The initial set of monitoring measures implemented in 2005 includes the following:

- **Occupancy Information** - Total units, non-dwelling units, administrative unit adjustments (vacant units in modernization or pending demolition), adjusted units, occupied units, vacant units and vacancy rate, adjusted vacant units and adjusted vacancy rate, number of move-ins, number of move outs, and net increase or decrease in occupied units for each month.
- **Work Order Information** - Number of emergency work orders completed, number of emergency work orders taking more than 24 hours to complete (if any), number of non-emergency work orders, number of non-emergency work orders taking more than 20 days to complete (if any), average elapsed time to complete a non-emergency work order, and total number of work orders completed.
- **Rent Collection** - Total amount of rents billed, total amount of rents collected, total amount of rents uncollected, rent delinquency rate.
- **Regulatory compliance and lease enforcement** - number of recertifications completed, number of recertifications scheduled, percentage of scheduled recertifications completed, number of housekeeping inspections completed,

number of legal notices filed, and number of evictions completed.

- **Financial Information** - Early in 2006, reporting of budgeted vs. actual amounts using information from HACP's project-based budgeting and project-based accounting (PBB/PBA) systems will be added to the monthly indicator reports. It is important to note that as part of the transition to site-based management, Site Managers (with support from the Financial Services Department) were primarily responsible for developing the 2006 site budgets on which the 2006 Authority budget is based.

These measures are consistent across all HACP-managed communities and HACP privately managed communities. These monitoring measures are condensed into an "Indicator Report" for each site that is produced monthly. A version of this report is prepared for management and the Board of Commissioners, replacing the department based aggregate reporting previously used. By reporting in this manner, management and the Board of Commissioners can easily look at the performance of each individual site.

Additional monitoring measures will be phased in during the course of 2006:

- **RASS** – The resident survey portion of PHAS will provide an assessment of resident satisfaction with management performance in specific communities. Individual site managers will be tasked with meeting performance goals set to resolve perceived deficiencies. By focusing on

individual community response to resident issues identified in the RASS survey, the HACP will be able to respond to individual questions in each of the 5 RASS survey areas. The HACP will then monitor progress by responding to issues identified in RASS surveys through the monthly reporting system.

- **PHAS Management and Physical Condition Indicators** – Management performance in areas monitored by PHAS indicators and not already included in monitoring measures will be added to monthly management reports and, where appropriate, specific action plans to address deficiencies will be developed for each site by site staff and management. Mechanisms will be established to highlight PHAS indicators in the report and to create a separate PHAS Indicator report for each community. This will emphasize the importance of performance in these indicators and make subsequent post-MtW PHAS reporting to HUD more routine and efficient. These measures will be added as HACP continues preparations for the exit from Moving To Work.

#### **TRANSITION TO ASSET/SITE-BASED MANAGEMENT**

HACP utilized the services of two consultants to assist in the task of establishing site-based management at the HACP. One firm, a nationally known public housing consulting firm, provided technical expertise in public housing and private property management. This firm assisted the HACP in developing a revised Managers Manual and in identifying elements for the indicator reports. The other firm, a local firm with extensive experience in organizational change, assisted

HACP with restructuring, change management, scheduling and implementing the transition process.

The transition to site-based management implementation began on March 29, 2005, when approximately one third of HACP managed properties ‘went live’ and transitioned to site-based management. This involved new Site Managers taking responsibility for both maintenance and lease related functions, and the reassignment of maintenance line staff. The reassignment of Maintenance line staff changed assignments for maintenance personnel from maintenance zones to specific sites, and shifted their supervision from the Field Maintenance Supervisors to the Site Managers and Assistant Managers. The remaining two thirds of HACP properties transitioned to site based management on July 12, 2005. With this transition, the positions of Property Manager and Field Maintenance Supervisor, as well as the Property Management Department and Central Maintenance Department were eliminated at the HACP. Site Managers and Assistant Managers who report to Real Estate Asset Managers replaced them. A small group of workers with specialized skills and functions, such as Pest Control, remain centralized in the new Facilities Services Department (The members of this department provide specialized services needed by the sites as requested by the site manager. It is more efficient to manage this collection of services in a centralized manor rather than having an individual specialized staff member at each Authority site).

Beginning in September 2005, with continuing assistance from the contracted entity that provides the HACP with assistance in the Modernization and Development Department, oversight of privately management properties was formally transferred to

the Real Estate Asset Managers. These functions include review of monthly submissions (including monthly indicator reports), review of requests for payment of operating subsidy, review and approval of annual budget submissions, year end reconciliations, and most importantly on-site monitoring reviews to ensure regulatory compliance. These monitoring site visits include reviews of a sampling of tenant folders, new move in folders, work order documentation, rent calculations, recertification completion, and expenditure documentation.

The magnitude of the HACP's transition to site-based management cannot be overstated. Literally hundreds of workers received new assignments and/or new supervisors. Dozens of routine procedures were modified and new expectations and levels of accountability were created. Prior to this transition, the HACP was organized like many public housing authorities with a centralized Property Management Department, staffed by Property Managers and Office Assistants, handling functions relating to unit leasing, rent collection, and lease enforcement. Staff reported up through an Assistant Director and Director to upper management. A parallel Maintenance Department handled all maintenance related items, including vacant unit preparation and all types of work orders - cyclical, tenant generated, and emergencies. Organized by zone, the Maintenance Department reported to upper management independently of the Property Management Department. Under the new site-based management organizational structure, each property is managed by a Site Manager and an Assistant Site Manager, and larger properties also have an Office Assistant. Maintenance personnel are assigned to specific sites

based on the property needs, and report to the Site Manager and Assistant Manager. With this new structure, the Site Managers control the activities at the site - establishing work priorities, setting goals, monitoring performance. They can now be held accountable for the performance of their site. Most of the staff have supported this initiative, and are taking ownership of their sites. Although it is too soon to formally document, anecdotal evidence suggests an increase in productivity by workers in the field.

Any organizational transition of this nature is difficult. However, after the initial stages of full implementation, site performance has improved. The final few months of 2005 saw increases in occupancy levels, reduction in unit turnaround times, and improved curb appeal. We expect additional improvements in these and other measures, including rent collection, in 2006.

Resident reaction to these changes has been positive. A concerted effort to educate and inform residents, as well as staff, of the reasons for this change and the positive results expected produced positive results. An increase in tenant complaints did not occur in the days and weeks immediately following the implementation dates. Residents have begun to know their new Site Managers, and the increased authority of these Managers empowers them to be more responsive to resident needs. Coordination of activities at the site, from Modernization to resident initiatives, has improved, all resulting in improved performance. We anticipate documentation of these improvements will be possible by the end of 2006.

It should be noted that several related efforts in addition to Site-Based Budgeting and Accounting (SBB/SBA) link to support this organizational transition. In 2005 HACP initiated a complete review of its inventory control and procurement processes, and will implement revised systems in 2006. These revised systems will produce more effective use of our purchasing power, more efficient delivery of materials to the sites, and improved reporting on materials usage costs at each site. Resident service programming also continues to shift to more site based activities, as described further in Chapter 9. Inclusion of site perspectives in modernization planning was also evident at the end of 2005, and planning continued for implementation of a site-preference waiting list system in 2006.

All of these activities contribute to the success of HACP's transition to site based management and asset management.

## **12.0 ATTACHMENTS**

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1. Attached: The FY 2004 Independent Audit