



MOVING TO WORK ANNUAL REPORT

**PHA FISCAL YEAR 2017
APRIL 1, 2016 - MARCH 31, 2017**

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**Philadelphia Housing Authority
Moving to Work Annual Report FY 2017**

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I. Introduction and Overview

The Moving to Work Annual Report provides information on activities undertaken by the Philadelphia Housing Authority (PHA) under the Moving to Work Demonstration Program (MTW) during Fiscal Year 2017, i.e., the period from April 1, 2016 to March 31, 2017. The format and required content of this Report are defined by the U.S. Department of Housing and Urban Development (HUD) in the HUD Form 50900.

PHA has been an MTW agency since April 2001. The MTW Agreement as amended, which has a term that extends through 2028, describes the authorities granted to PHA under MTW and the requirements for participation.

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

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

The MTW Agreement allows PHA to combine its three (3) main HUD funding sources (Public Housing Operating Fund, Capital Fund and Housing Assistance Payments) into a single MTW Block Grant that can be used flexibly for any MTW authorized purpose.

MTW Long-Term Goals and Objectives

The flexibility afforded to PHA by its MTW designation continues to have a positive impact on virtually every area of PHA policy and operations. Especially during these very difficult budget times, PHA's MTW status has helped to build and sustain innovative partnerships and leverage substantial additional funds in support of PHA and the City of Philadelphia's ambitious neighborhood revitalization and housing preservation efforts citywide.

Overall, PHA views the use of MTW funding and regulatory flexibility as an essential component to implement the long-term goals and objectives detailed in the Board-approved Strategic Directions Plan. The Strategic Directions Plan, which was described in more detail in the FY 2015 MTW Annual Plan, identifies twelve (12) strategic priority areas which guide PHA's major initiatives and resource allocation decisions:

1. Preserve and expand the supply of affordable housing available to Philadelphia's residents with low-incomes;
2. Achieve excellence in the provision of management and maintenance services to PHA residents;

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

MTW Initiatives and Accomplishments in FY 2017

PHA uses its MTW regulatory and Block Grant flexibility to undertake a wide range of activities in support of the Strategic Directions Plan goals and priorities. The following are highlights of PHA's MTW initiatives and accomplishments in FY 2017:

- ***Blumberg/Sharswood Neighborhood Transformation*** – Working in partnership with Mayor Kenney and the City of Philadelphia, PHA has launched an ambitious and far-reaching neighborhood revitalization strategy in and around the site of the former Blumberg public housing development. Building on the HUD-supported Choice Neighborhoods Transformation Plan developed in collaboration with over 40 partners, community organizations, residents and stakeholders, PHA celebrated the opening of 57 sustainable, energy efficient rental units in FY 2017 while laying the groundwork for future phases including the rehabilitation of 94 units in the now-empty Blumberg Senior Tower. PHA's partnership with Habitat for Humanity resulted in completed repairs on an existing 11 homes in the Sharswood neighborhood, with plans proceeding to repair and preserve an additional 30 existing homes and build 20 new affordable homes in FY 2018 and beyond.

PHA's commitment to the Sharswood area extends beyond housing to include substantial economic development, education, and supportive service initiatives. In FY 2017, PHA achieved a major milestone with PHA's purchase of the shuttered Vaux School Building, which will be rehabilitated and occupied by a new neighborhood High School scheduled to open in the fall of 2017. This partnership with the School District and Big Picture Schools is an example of the creativity and innovation that has emerged from the neighborhood planning process, and that is made possible

through MTW. In FY 2018, PHA will be celebrating the groundbreaking for a new PHA Headquarters building and a neighborhood supermarket, both designed to spur private development and create neighborhood amenities needed to transform Sharswood into a neighborhood of choice. MTW Block Grant funding supports the major initiatives that are underway.

- ***Unit Based Voucher (UBV) Initiative*** – PHA accelerated its efforts to partner with highly qualified, primarily non-profit housing developers to provide long-term rental assistance through the UBV program. In FY 2017 alone, 1,049 units were placed under long-term contract at 16 developments located throughout the City including the Rental Assistance Demonstration sites discussed below. Eleven (11) of the new UBV developments involve new construction or substantial rehabilitation, helping to bring much needed new affordable housing to the City. This activity is partially funded with MTW Block Grant funds, and also supports PHA’s “6 in 5” initiative.
- ***Rental Assistance Demonstration (RAD)*** – The RAD program allows PHA to leverage MTW Block Grant, private and other capital sources through conversion of public housing subsidies to long-term project based assistance. RAD is a critical component of PHA’s efforts to secure new capital resources necessary for the long-term preservation of PHA’s existing housing portfolio. Equally important, RAD allows PHA to transfer subsidies from long-term vacant and distressed scattered site properties to new developments. This year, PHA closed on 323 rental units at six (6) developments sponsored by PHA and partner organizations that will serve veterans, seniors, formerly homeless families and other underserved, diverse populations while also helping to catalyze additional public and private sector investments into neighborhoods. This includes PHA’s 55-unit Strawberry Mansion new construction development, which had its ground breaking in March 2017. RAD is also facilitating the *preservation* of existing affordable housing, such as Courtyard at Riverview, which converted 470 rental units from public housing to project-based assistance during the year. PHA utilizes MTW flexibility and funding in the RAD conversion process, subject to HUD approval.
- ***North Central Philadelphia Choice Neighborhoods Revitalization*** – In partnership with the City and other partners, PHA moved forward to implement its comprehensive neighborhood revitalization program for the Norris Apartments public housing development and the surrounding North Central neighborhood. Funded through MTW Block Grant, City, Pennsylvania Housing Finance Agency, a \$30 million HUD CNI grant and other sources, the initiative will result in 297 new rental and homeownership units, of which 147 will be replacement units, on and off-site throughout the North Central Philadelphia neighborhood, augmented by a wide array of supportive services and neighborhood improvements.
- ***New Senior Housing at St. Francis Villa*** – PHA joined with its non-profit partner, Catholic Health Care Services, to celebrate the opening of a new 40-unit senior public housing development in the Kensington neighborhood. With partial funding from the MTW Block Grant, the new housing development builds on several other related service initiatives in the area including the nearby St. Francis Inn soup kitchen.
- ***Public Safety Improvements*** – Utilizing MTW Block Grant funds, PHA continued its efforts to strengthen and improve safety and security for residents and staff including new efforts to hire residents as police officers. These efforts bore fruit as evidenced by a 41% decline in serious Part I crimes at PHA developments in FY 2017.
- ***Re-Entry Initiatives*** – PHA’s MTW Second Chance pilot program, which provides housing and services to returning citizens, achieved full enrollment during the year with the lease-up of ten (10) participants. Through Second Chance, PHA provides tenant-based vouchers to returning citizens in

good standing with the Eastern District Federal Court Supervision to Aid Reentry (STAR) program and the Mayor's Office of Reintegration Services (RISE) program. Second Chance participants are provided with skills, training, and education necessary to successfully reintegrate into society, avoid recidivism, and lead constructive, useful lives. PHA also expanded its efforts to support re-entry efforts with a newly formed partnership with the Pennsylvania First District Court's MENTOR program.

- ***Voucher Mobility*** – PHA implemented a Housing Opportunity Program (HOP) in August 2013 to assist voucher holders in locating units and prospective landlords in opportunity neighborhoods within and outside of Philadelphia. The program was initially a pilot effort supported by HUD grant funds, and is now funded through PHA's MTW Block Grant. As of December 2016, HOP has enrolled over 200 families, of which more than half worked with a counselor and signed a lease. One hundred and nine (109) participants leased a new apartment in opportunity areas throughout the Philadelphia region, opening doors to opportunity for their entire family. Among all movers, families who received counseling experienced a decrease of poverty of over 10 percentage points to an average of 21%. PHA's successful opportunity movers experienced a decrease in poverty of almost 20 percentage points to an average poverty rate of 14%, well below their average initial poverty rate of 34%, and the city's 25% poverty rate.
- ***Rent Simplification*** – PHA continued to implement previously approved MTW rent simplification initiatives that simplify program administration and provide incentives for economic self-sufficiency.
- ***Resident Supportive Service Programs*** – In FY 2017, PHA utilized MTW Block Grant and other partner-leveraged funds to support a wide range of self-sufficiency and youth development programs. Financial Literacy programming was provided to 457 residents, 95 residents participated in occupational skills training and 138 participated in GED and literacy programs. Under the Section 3 program, 419 residents were placed in employment. PHA's Early Childhood Partnerships helped enroll 50 young residents in Early Head Start, while 580 youth ages 6 to 13 participated in after school and/or summer camp programs.
- ***Homeownership*** – PHA assisted 45 residents to purchase their first homes in FY 2017 through MTW Block Grant funded homeownership programs including 5H, HCV and Section 32.
- ***Nursing Home Transition*** – In FY 2017, PHA provided housing to 64 individuals transitioning out of nursing homes to community based housing. This initiative, which utilizes MTW regulatory flexibility, helps to greatly improve the quality of life for participants while also substantially reducing the public dollars spent on nursing home care.

Non-MTW Initiatives and Accomplishments in FY 2016

The following are highlights of PHA's Non-MTW initiatives and accomplishments in FY 2017. Non-MTW initiatives are those activities that do not require the use of MTW regulatory or financial flexibility:

- ***Assessment of Fair Housing*** – PHA collaborated with the City of Philadelphia to produce a joint Assessment of Fair Housing, which was accepted by HUD in February 2017. This effort was extensively supported by PHA resident leadership, who took an active role in the planning process including organizing efforts to obtain over 1,000 surveys from PHA residents.
- ***New Veterans Housing*** - In FY 2017, HUD awarded PHA funds under the Veterans Affairs Supportive Housing (VASH) program for two project-based developments. The awards will provide

long-term subsidies for the 14-unit existing veterans' facility at Hancock Manor, and for 20 of 64 units at the planned new Edison 64 development to be built by Impact Veterans Services. HUD also awarded 42 additional tenant based VASH vouchers to PHA.

- ***Blueprint to End Homelessness Initiative*** – PHA continued to collaborate with the City of Philadelphia Office of Supportive Housing on the Blueprint to End Homelessness Program. Under this initiative, PHA provides 500 housing opportunities annually for formerly homeless families and individuals moving out of transitional housing.
- ***Smoke Free Initiative*** – The citywide Smoke Free initiative previously reported by PHA has begun to show significant positive results. The policy, which was developed and implemented in 2016 with the active collaboration and support of PHA resident leaders, has resulted in an approximate 50% reduction in the presence of nicotine and second hand smoke, as documented in a study conducted Drexel University study published in FY 2017 and published by the Tobacco Regulatory Science Group in its April 2017 Tobacco Regulatory Science journal.

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

II. General Housing Authority Operating Information

A. Housing Stock Information

PHA is the fourth largest Public Housing Authority in the United States and the largest provider of affordable housing in the City of Philadelphia. PHA serves eligible low-income households through its two (2) primary housing programs: Public Housing and the Housing Choice Voucher (HCV) program both of which are supported with MTW Block Grant funds.

Public Housing

PHA's public housing inventory includes units for families, seniors, and persons with disabilities. These affordable apartments are located throughout the City in thirty-five (35) conventional public housing developments, twenty-four (24) Low Income Housing Tax Credit (LIHTC) developments managed by the Philadelphia Asset and Property Management Corporation (PAPMC), and thirteen (13) developments operated by Alternate Management Entities (AME) under contract to PHA. Over 4000 of PHA's public housing units are "scattered sites," i.e. housing units located in single family homes or small buildings of up to 4 units. PHA operates one of the largest scattered site public housing programs in the country.

Table 1 below provides a summary of PHA's actual public housing inventory as of the end of FY 2017. Note that the public housing inventory totals reflect a net reduction from last year as a result of units being converted to long-term project-based assistance under the Rental Assistance Demonstration program.

Table 1: Total Public Housing Inventory

	Units as of 3/31/2017
MTW Public Housing Units*	13,392
Public Housing Units Available for Occupancy**	13,333

* Standing units

** Available for occupancy units exclude units that are vacant and not available for occupancy, including units that are undergoing modernization as defined in CFR 990.145 and other authorized exclusions. It is important to note that the actual number of units that can be occupied is significantly lower than the listed number. For example, 94 units at Blumberg Senior Tower are categorized as "available for occupancy", even though all residents have been relocated and the development is undergoing rehabilitation as part of a planned conversion to RAD.

New Public Housing Units

As part of its "6 in 5" development initiative, PHA added 40 new public housing units to its inventory during FY 2017 at the new St. Francis Villa AME development as shown in Table 2 below.

Table 2: New Public Housing Units Completed in FY 2017

										# of UFAS Units		
AMP Name and Number	Bedroom Size							Total Units	Population Type	Fully Accessible	Adaptable	
	0	1	2	3	4	5	6+					
St. Francis Villa AME	0	40	0	0	0	0	0		40	Elderly	4	0
Total Public Housing Units Added							40					

Housing Choice Voucher Program

Through its HCV program, PHA provides rental assistance to families, seniors and persons with disabilities at properties owned by private or non-profit owners. The HCV program also provides support to first time homebuyers. PHA supports HCV program participants in their efforts to find good quality housing units, including housing located in high opportunity areas, through the Housing Opportunity Program.

PHA's voucher inventory includes MTW tenant-based vouchers, project-based vouchers supported through PHA's Unit Based Voucher (UBV) program, as well as vouchers authorized by HUD for special purposes such as the Veterans Affairs Supportive Housing (VASH) Program, Family Unification Program, SRO Moderate Rehab and Mainstream programs. PHA partners with a wide array of mission-driven, non-profit and for profit organizations to provide quality housing opportunities, many which provide site or neighborhood-based supportive services, through the UBV program.

Periodically, HUD issues Enhanced Vouchers and Tenant Protection Vouchers for PHA to administer. As allowed by the MTW Agreement, PHA incorporates Enhanced and Tenant Protection Vouchers into the MTW Block Grant when eligible.

Table 3 below provides a summary by vouchers under lease by type. Overall, PHA had 19,067 vouchers under lease as of the end of FY 2017.

Table 3: Housing Choice Vouchers Under Lease

Voucher Type	Leased as of March 31, 2017
<i>MTW Vouchers</i>	
MTW Tenant and Unit-Based	15,837
RAD UBV	430
Family Unification	314
Designated Housing	247
Tenant Protection Vouchers	220
Non-Elderly Disabled	776
Nursing Home Transition	52
MTW Voucher Subtotal	17,878
<i>Non-MTW Vouchers</i>	
Mainstream	89
VASH	592
Moderate Rehabilitation (MR)	192
Single Room Occupancy (SRO)	316
Non-MTW Voucher Subtotal	1,189
TOTAL OF ALL VOUCHERS	19,067

PHA has placed a total of 3,055 vouchers under long-term, project-based contracts through the UBV program. This figure includes 1,049 new units placed under contract in FY 2017. Project-based units are subject to the policies of PHA's MTW Unit Based Voucher program, except where RAD or other regulations or statutes dictate other policies. Table 4 is a HUD-required table that provides information on planned new project-based voucher developments identified in the MTW FY 2017 Annual Plan compared

to the actual units under contract as of March 31, 2017. PHA entered into new contracts for 1,049 units compared to the projected number of 1,938 units. The majority of those developments not placed under contract in FY 2017 are projected to be placed under contract during FY 2018. Variations in planned versus actual timetables are primarily related to changes to planned RAD conversion and other project development timetables.

Table 4: New Housing Choice Vouchers Project-Based During the Fiscal Year

Property Name	Anticipated # of New Vouchers to be Project-Based	Actual # of New Vouchers that were Project-Based	Description of Project
4050 Apartments	20	20	New construction development located in West Philadelphia for low-income artists.
Belmont Specialty Housing I	25	25	New construction development under construction in West Philadelphia. Target population is disabled and seniors.
Belmont Specialty Housing II	15	15	New construction in West Philadelphia. Target population is disabled and seniors.
Grace Townhomes	36	36	New construction development located in Port Richmond section of Philadelphia for low income families.
810 Arch Street	70	0*	New construction development for homeless individuals in Chinatown area of Center City
Jannie's Place	11	0	Existing development completed in 2011 at 611 N. 40th St in the Mantua section of West Philadelphia serving homeless families
Fattah Homes II	6	0	Existing development completed in 2013 serving homeless families in the Mantua section of West Philadelphia.
Inter Community Action Inc.	13	0	Existing development consisting of 6 row homes located in the Roxborough section of Philadelphia. The target populations are individuals with behavioral, intellectual and developmental disabilities.
Hope Bridge	28	24	Existing development located in West Philadelphia serving single females with special needs.
Catch SRO	25	25	Existing development located in South Philadelphia for individuals with mental illness.
Bigham Place	7	0	Recently constructed development located at 4226-32 Powelton Ave in the Mantua section of West Philadelphia serving homeless families.
Impact Veterans	8	0	New Construction development located in Kensington section of Philadelphia for veteran families.
Mt. Vernon II	15	15	New construction site located at 3202 Mantua Avenue in the Mantua section of West Philadelphia serving low income families.
Witherspoon Senior Apartments	15	0	New Construction in West Philadelphia serving seniors.-RAD transfer of assistance
Haddington III	48	0	Scattered site rehabilitation in West Philadelphia for homeless and low income families-RAD transfer of assistance
Cantrell Place	15	0	Substantial rehabilitation development in South Philadelphia for seniors
Francis House	10	0	New Construction in West Philadelphia for frail seniors

Property Name	Anticipated # of New Vouchers to be Project-Based	Actual # of New Vouchers that were Project-Based	Description of Project
Tioga Family Center	24	0	New Construction in North Philadelphia for low income families
Centennial Village	33	0	New Construction in West Philadelphia serving low-income families- RAD transfer of assistance site
Help V	37	37	New Construction in Northern Liberties section of Philadelphia serving veterans and senior veterans - RAD transfer of assistance site
St. John Neumann Place II	52	52	New construction in South Philadelphia serving seniors - RAD transfer of assistance site
2415 N Broad Street	88	88	New construction in North Philadelphia serving homeless individuals - RAD transfer of assistance
Roberto Clemente House	38	0	Substantial rehabilitation development in North Philadelphia serving low-income families - RAD transfer of assistance
New Courtland at Allegheny II	40	0	New construction in North Philadelphia serving seniors
Lehigh Park I and II	75	74	Existing housing serving low-income families--(25) PBV and (49) RAD transfer of assistance site
Mission First	50	0	New construction in West Philadelphia for low-income families – RAD transfer of assistance site
New Courtland at St. Bart's	36	42	New construction in Northeast Philadelphia for seniors – RAD transfer of assistance site
Norris Square	60	0	Rehabilitation of existing family units in North Central Philadelphia – RAD transfer of assistance
Blumberg Phase I	57	57	New construction in Blumberg/Sharswood neighborhood serving low-income families including 51 RAD and 6 other project-based vouchers
Norris Homes	147	0	RAD conversion of Choice Neighborhood public housing units (new construction replacement units)
Courtyard at Riverview aka Southwark	470	470	Rehabilitation of existing AME family and senior public housing development – RAD conversion
Eight Diamonds	152	0	Rehabilitation of existing AME family public housing – RAD conversion
Spring Garden Mixed Finance AME	86	0	Rehabilitation of existing AME scattered site family public housing – RAD conversion
Spring Garden II AME	32	0	Rehabilitation of existing AME scattered site family public housing – RAD conversion
MLK Phase I AME	49	0	RAD conversion of existing AME units
MLK Phase III AME	45	0	RAD conversion of existing AME units
Strawberry Mansion	0	55	New construction in North Philadelphia for low income families – RAD transfer of assistance site
Hancock Manor	0	14	Existing housing serves homeless veterans in North Philadelphia
Total	1,938	1,049	

**PHA entered into a 70-unit HAP Contract for this development in FY 2016. This was reported in PHA's FY 2016 MTW Annual Report.*

Anticipated Total Number of New Vouchers to be Project- Based	Actual Total Number of New Vouchers that were Project- Based	Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year	Anticipated Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Year
		3,953	3,913
1,938	1,049	Actual Total Number of Project- Based Vouchers Committed at the End of the Fiscal Year	Actual Total Number of Project-Based Vouchers Leased up or Issued to a Potential Tenant at the End of the Fiscal Year
		3,055	2,407

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

PHA, in collaboration with the City of Philadelphia and a network of community partners, continued to aggressively seek opportunities to help further the mutual goal of development of new affordable housing. Table 5 below provides an update on changes to PHA's housing stock during FY 2017 and an update on planned initiatives that were identified in the FY 2017 Annual Plan.

Table 5: Other Changes to Housing Stock

Site	Description from Annual Plan	Status as of 3/31/2017
Various	The FY 2017 Annual Plan describes planned demolition/disposition activities at various PHA sites, including long-term vacant and uninhabitable scattered sites, totaling 1,152 units. The planned demo/dispo activity is required as part of the strategy to convert public housing units to project-based assistance under RAD.	PHA closed on six (6) RAD transfer of assistance transactions totaling 323 units, all of which were removed from the public housing inventory in FY 2017. An additional 470 units were removed from inventory in FY 2017 as a result of the RAD conversion of the Courtyard at Riverview AME. Additional RAD closings are scheduled for FY 2018.
Brooklyn Heights	PHA is negotiating the acquisition (PRA) of land in the Mill Creek neighborhood to develop approximately 32 units.	The City allowed for the period to expire for the previous developer to recoup some losses. This period has expired and the City is now working on a process by which the property can be transferred to PHA for nominal consideration.
Union Hill	PHA is negotiating the possible acquisition of 12 distressed units in the Mantua neighborhood.	The City and PHA exhausted negotiations. PHA at this time does not intend to pursue this project.
Market West	PHA is working to acquire vacant sites in Haddington neighborhood to develop affordable sites in this West Philadelphia neighborhood.	The process is ongoing. A draft master plan was completed and PHA continues to work with key stakeholders on this initiative.
Gordon Street Phase II (Strawberry Mansion)	PHA is planning for the second phase development to support the newly developed Gordon Apartments.	Properties have been identified and a draft master plan is complete.
Falls Ridge	PHA is finalizing plans for a long-term lease to	PHA now plans to dispose of the property for

Site	Description from Annual Plan	Status as of 3/31/2017
	Pennrose Properties of land at the former Schuylkill Falls public housing development. Land to be developed as affordable and market rate housing by Pennrose.	fair market value.
27 th and Susquehanna	PHA is seeking to acquire a site in the Strawberry Mansion neighborhood.	The parcels associated with this development are being transferred into the City's Land Bank. PHA issued an RFQ for developer partners and selected Mission First Housing. PHA is currently working with Mission First to develop a plan for affordable rental housing on the site as a potential RAD transfer of assistance transaction.
Reynolds School	PHA acquired a school for potential redevelopment as senior housing, a school, or other mixed use development in the Sharswood neighborhood.	PHA is working with HELP USA to redevelop this site as senior housing serving veterans. This is a potential RAD transfer of assistance transaction.
Walton School	PHA acquired a vacant school for reuse as 45 senior housing units in Strawberry Mansion.	PHA has completed the environmental phases I and II for this site, and intends to submit a 9% LIHTC and Historic Tax Credit applications in the fall of 2018.
Sharswood Acquisition	PHA continues to acquire privately owned parcels in the Sharswood neighborhood for the redevelopment of the Norman Blumberg development.	All acquisition is completed and payments into court will be completed as of 8/15/17.
Liddonfield	PHA is currently considering responses to an RFP for the development of the vacant Liddonfield site. While there are no public housing (ACC) units being considered for the site, proposals may include affordable senior housing components, and a long term lease of the site. PHA may revise and reissue the RFP if needed.	PHA disposed of the property for fair market value to NewCourtland, and PHA committed to support the development of 300 senior only units through project-based vouchers over the next 15 years.
Blumberg Senior Tower	The senior tower will remain offline in FY 2017 pending rehabilitation and conversion to project-based assistance as part of PHA's Rental Assistance Demonstration program initiative.	PHA is working toward closing on a 4% tax credit transaction for the project in late summer 2017.
2012 Chestnut Street	PHA issued an RFP for the development of the vacant site at 2012 Chestnut Street. PHA desires the development of some affordable housing at the site. The project may include residential, office, commercial or mixed-use. PHA expects the project to include affordable units serving households with incomes up to 80% of Area Median Income. PHA plans on providing project based rental assistance equal to 110% of fair market rents for all affordable units that may be proposed.	PHA is finalizing negotiations with Alterra, the selected developer.
Bartram Village	PHA is soliciting development proposals for the redevelopment of Bartram Village.	PHA selected Pennrose Properties as the developer and is working with them on master planning for the site.

General Description of Actual Capital Fund Expenditures During the Reporting Year

The backlog of unmet and unfunded capital needs for PHA's public housing communities is estimated at greater than \$1 billion and growing. PHA is able to address only a small fraction of its capital needs with existing funding. The oldest PHA developments were built more than 70 years ago, and a total of twenty-

eight (28) sites are more than 40 years old. Several sites are functionally obsolete from design, efficiency and operating cost perspectives; however, the availability of funding to support major redevelopment efforts has been extremely limited, a situation that appears unlikely to change in the near future, given federal budget constraints. Table 6 provides a general description of actual capital fund obligations and expenditures in FY 2017.

Table 6: Capital Fund Actual Obligations and Expenditures

Site Name	Description	FY 2017 Actual Expenditures	FY 2017 Obligations	FY 2017 Actual Obligations Not Yet Expended
Blumberg	Phase II (Senior Tower) - 96 units	\$434,227	\$884,188	\$449,961
Blumberg	Demolition	\$5,311,307	\$5,311,307	\$0
Blumberg	Phase I - 57 Units Offsite	\$5,526,450	\$5,526,450	\$0
Community Centers	Lawful Occupancy (As determined by A&E Consultant)	\$54,565	\$54,565	\$0
Markoe Street	Phase III - Development of 6 residential units	\$176,875	\$176,875	\$0
Millcreek	LEB Community Center	\$553,003	\$662,000	\$108,997
Norris Choice	Phase II 89 Rental	\$877,836	\$877,836	\$0
Strawberry Mansion	Strawberry Mansion Street Planning - New Construction of 55 Affordable Housing Units	\$472,878	\$472,878	\$0
Walton School	Walton School (45 Units)	\$57,881	\$133,648	\$75,767
PHA Wide	Scattered Site Rehabs by Force Account	\$3,120,361	\$4,136,246	\$1,015,885
Haddington	SS Concrete Repair	\$40,000	\$40,000	\$0
Mantua	SS Concrete Repair	\$40,000	\$40,000	\$0
Kingsessing	SS Concrete Repair	\$100,000	\$100,000	\$0
Germantown/Hunting Park	SS Concrete Repair	\$50,000	\$50,000	\$0
Fairhill Square	SS Concrete Repair	\$70,000	\$70,000	\$0
Francisville	SS Concrete Repair	\$40,000	\$40,000	\$0
Ludlow	SS Concrete Repair	\$100,000	\$100,000	\$0
Susquehanna	SS Concrete Repair	\$40,000	\$40,000	\$0
Strawberry Mansion	SS Concrete Repair	\$80,000	\$80,000	\$0
Oxford Jefferson	SS Concrete Repair	\$37,728	\$40,000	\$2,272
PHA WIDE	504 Unit Modifications/Fair Housing	\$349,299	\$366,529	\$17,230
SS WIDE	Comprehensive SS Unit Rehab	\$4,017,399	\$4,285,002	\$267,603
Hillcreek	Roof Replacement	\$147,657	\$454,289	\$306,632
Collegeview	Sanitary upgrade	\$986,988	\$1,071,610	\$84,622
Vaux School	Modernization	\$50,904	\$50,904	\$0
Total:		\$22,735,358	\$25,064,327	\$2,328,969

Overview of Other Housing Units Owned and/or Managed By PHA at Fiscal Year End

In addition to its public housing inventory, PHA, through its affiliated non-profits, owns housing developments at Oakdale Street, Gordon Street and Blumberg Phase 1. All of these sites are subsidized under long-term UBV contracts.

B. Leasing Information

Actual Number of Households Served at the End of the Fiscal Year

PHA provided housing assistance to approximately 31,340 households in FY 2017 through the Public Housing (12,273) and HCV (19,067) programs, including both MTW and Non-MTW Special Purpose vouchers. Excluding non-MTW vouchers, the total number of MTW-only households served was 30,151.

HUD requires that all MTW agencies submit Tables 7 and 8 below, which report on local, non-traditional housing, i.e. housing units which utilize MTW funds but that are not public housing or HCV-related. PHA does not currently have any such units.

Table 7: Local, Non-Traditional Program

Housing Program:	Number of Households Served	
	Planned	Actual
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs	0	0
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs	0	0
Port-In Vouchers (not absorbed)	N/A	0
Total Projected and Actual Households Served	0	0
Housing Program:	Unit Months Occupied/Leased	
	Planned	Actual
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property Based Assistance Programs	0	0
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs	0	0
Port-In Vouchers (not absorbed)	N/A	0
Total Projected and Annual Units Months Occupied/Leased	0	0
	Average Number of Households Served Per Month	Total Number of Households Served During the Year
Households Served through Local Non-Traditional Services Only	0	0

Table 8: Local Non-Traditional Households and Income Levels

Fiscal Year:	2011	2012	2013	2014	2015	2016	2017	2018
Total Number of Local, Non-Traditional MTW Households Assisted	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of Local, Non-Traditional MTW Households with Incomes Below 50% AMI	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percentage of Local, Non-Traditional MTW Households with Incomes Below 50% AMI	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

PHA meets the requirement that at least 75% of families assisted in the Public Housing and Voucher programs are very-low income. In FY 2017, approximately 92% of the households served by PHA were very-low income, i.e. households with incomes up to 50% of Area Median Income. HUD verifies this data through PHA's electronic submissions under HUD's PIC system. PHA does not assist any local, non-traditional households.

Reporting Compliance with Statutory MTW Requirements: Maintain Comparable Mix

As first noted in the FY 2014 Annual Report, the revised HUD Form 50900 implemented in May 2013 requires MTW agencies to provide data on the number of persons in each household served as of the date of entry to the MTW program and as of the current fiscal year. While PHA has this data available for the current fiscal year, it does not have data and is unable to report on household size as of April 2001, which is the effective date of the MTW Agreement. Note that PHA provided *bedroom size* data as part of its initial MTW submissions, but did not provide *household size* data. PHA's current information technology systems do not have 2001 data available. Therefore, PHA is not currently able to provide the information required in Tables 9 and 10 below relative to the MTW baseline year. PHA will work with HUD's MTW Office to identify potential solutions to this issue if necessary. For informational purposes, Table 11 below provides a breakdown of MTW-only households by public housing and HCV bedroom size when PHA became an MTW agency and in FY 2017.

Table 9: Baseline for the Mix of Family Sizes Served

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

Table 10: Mix of Family Sizes Served- MTW Only Households

	1 Person	2 People	3 People	4 People	5 People	6+ People	Totals
Baseline Percentages of Household Sizes to be Maintained	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of Households Served by Family Size this Fiscal Year	11,655	6,463	5,244	3,526	1,802	1,461	30,151
Percentages of Households Served by Household Size this Fiscal Year	38.6%	21.4%	17.4%	11.7%	6.0%	4.8%	100%
Percentage Change	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Table 11: Mix of MTW Households served by Bedroom Size

	Bedroom size in April 2001			Bedroom size in FY 2017		
	Public Housing	HCV	Total	Public Housing	HCV	Total
1 Bedroom/SRO	2,113	2,722	4,835	2,845	6,635	9,480
2 Bedroom	3,157	3,369	6,526	3,246	4,783	8,029
3 Bedroom	4,332	5,834	10,166	4,505	4,688	9,193
4 Bedroom	1,180	918	2,098	1,013	1,410	2,423
5 Bedroom	691	195	886	500	277	777
6+ Bedroom	245	50	295	164	85	249
Total	11,718	13,088	24,806	12,273	17,878	30,151

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

Table 12 provides required information on leasing issues and solutions.

Table 12: Leasing Issues and Solutions

Housing Program	Description of Leasing Issue and Solutions
HCV	PHA continued to look for new approaches to boost leasing in opportunity areas. Additionally, voucher holders had difficulty finding affordable units to lease within the allotted time period. PHA implemented a Housing Opportunity Program (HOP) in August 2013 to assist voucher holders in locating units and prospective landlords in opportunity neighborhoods within and outside of Philadelphia. As of December 2016, HOP enrolled over 200 families, of which more than half worked with a counselor and signed a lease. One hundred and nine (109) clients leased in opportunity areas throughout the Philadelphia region, opening doors to opportunity for their entire family. Among all movers, families who received counseling experienced a decrease of poverty of over 10 percentage points to an average of 21%. Approximately 60 families enrolled but declined counseling services and moved without assistance. PHA's successful opportunity movers experienced a decrease in poverty of almost 20 percentage points to an average poverty rate of 14%, well below their average initial poverty rate of 34%, and the city's 25% poverty rate.
Public Housing	<p>The Blumberg Senior Tower remained vacant during the year, pending scheduled rehabilitation of the Tower as part of the conversion to project-based assistance under RAD.</p> <p>In FY 2017, PHA faced ongoing challenges related to the high cost of the physical rehabilitation of scattered sites. Additionally, efficiencies continued to have high refusal rates which negatively impacted PHA's overall occupancy rates. PHA continues to screen and maintain ready pools to account for refusal rates at hard to lease sites.</p>

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

HUD requires information on households transitioned to self-sufficiency for any MTW activities that report on HUD's standard metric SS #8. Table 13 below provides the HUD-required information.

Table 13: Transition to Self Sufficiency

Activity Name/#	Number of Households Transitioned	Agency Definition of Self Sufficiency
Simplification and Streamlining of Rent and Recertification Processes for Public Housing and HCV	<ul style="list-style-type: none"> • 108 households in HCV • 613 households in public housing 	<ul style="list-style-type: none"> • For HCV, PHA defines a household that transitions to self-sufficiency as a household that exits the program as a result of being over-income or one that receives no HAP subsidy but still qualifies as a program participant. • For public housing, PHA defines a household that transitions to self-sufficiency as a public housing household whose income is at or above 80% AMI.
Households Duplicated Across Activities/Definitions	0	
Annual Total Number of Households Transitioned to Self Sufficiency	721 households	

C. Waitlist Information

Waitlist Information at Fiscal Year End

PHA continues to maintain its waitlists in accordance with its Board of Commissioners-approved HCV Administrative Plan and Public Housing Admissions and Continued Occupancy Policy, as applicable. PHA's conventional, scattered sites, PAPMC, and AME Public Housing sites are subject to site-specific waitlist policies. PHA also operates a centralized "first available" waitlist for referral programs and for applicants who elect this option.

Table 14 indicates that PHA has a total of 80,024 households across all waitlists as of March 31, 2017.

Table 14: Waitlist Information at Fiscal Year End

Housing Program(s)	Wait List Type	Number of Households on Wait List	Wait List Open, Partially Open or Closed	Was the Wait List Open During the Fiscal Year
Housing Choice Voucher Program Tenant Based	Community-Wide	13,920	Partial – Special purpose & referrals only	Yes
Public Housing 1	Other	29,708	Partial – Open for Seniors & 504 Applicants only	Yes
Public Housing 2 (Tax Credit)	Site-Based Waitlist	33,867	Open	Yes
Public Housing 3 (AME)	Site-Based Waitlist	2,529	Open	Yes

Detail on the racial and ethnic composition of PHA's waiting list applicants is provided for informational purposes in Tables 15 and 16 below.

Table 15: Waitlist Applicants by Race

Waitlist Type	White	Black	American Indian	Asian	Hawaiian/Pacific Islander	Other	Not Reported
PH	3,569	23,399	356	515	160	84	1,625
HCV	1,411	11,415	298	282	39	51	424
PAPMC	3,298	27,188	374	316	182	102	2,407
AME	285	1,965	29	19	21	4	206
Total	8,563	63,967	1,057	1,132	402	241	4,662

Table 16: Waitlist Applicants by Ethnicity

Waitlist Type	Number of Applicants	Hispanic	Non-Hispanic	Not Reported
PH	29,708	3,060	26,623	25
HCV	13,920	890	13,011	19
PAPMC	33,867	2,896	30,944	27
AME	2,529	263	2,266	0
Total	80,024	7,109	72,844	71

For informational purposes, PHA has provided data on its Limited English Proficiency Policy as an appendix to this document.

Information on Partially Open Waitlists

Public housing waitlists are open are for seniors, those needing accessible units, and special programs including the nursing home initiative, Blueprint to End Homelessness, and DHS Youth Aging Out Pilot Program. PAPMC and AME waitlists remain open at this time.

The HCV waitlists are currently open only for applicants who qualify for admission under HUD’s Special Purpose Voucher programs (VASH) and for applicants referred to PHA from external agencies with whom PHA has a referral agreement as described in the Administrative Plan such as the “Blueprint” and “Second Chance” programs. These applicants are referred to PHA, entered onto the waiting list and then selected for either the Special Purpose Voucher or per the referral agreement.

Description of “Other” Waitlists

PHA’s public housing waitlist combines site-based, first available, and centrally-managed waitlist features managed by the Admissions Department. Applicants may select specific sites or “first available” units citywide. Centrally managed waitlists are also administered by the Admissions Department for applicants that require a wheelchair accessible unit and those with a special program preference designation.

Waitlist Organizational or Policy Changes

The following is a summary of wait list policy/organizational changes undertaken in FY 2017:

- Site-based wait lists were established in FY 2017 for St. Francis Villa and Impact Veterans Services housing in accordance with each respective owners’ regulatory and operating agreement with PHA.

- Developments under PHA's Unit Based Voucher program continued to establish and operate site-based waiting lists in accordance with PHA policies and each owner's tenant selection plan.
- PHA continues to review and evaluate potential new preferences that incorporate employment, educational, and/or job training requirements as a condition of occupancy for designated newly rehabilitated and/or constructed units. Seniors and people with disabilities will be exempt from employment requirements, if applicable. The policy will include provisions to address residents with temporary disabilities and/or temporary loss of employment. PHA modified its Admissions and Continued Occupancy Policy in FY 2016 to reflect the potential for PHA to apply these new preferences. To the extent that any such modifications require MTW authority, PHA will establish appropriate MTW activities for HUD approval in future MTW Annual Plans.

III. Proposed Activities

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

IV. Approved Activities

A. Implemented Activities

MTW ACTIVITY 2011-1: PARTNERSHIP PROGRAMS INITIATIVE

DESCRIPTION

PHA utilizes MTW authority to expand public housing for special needs and other targeted groups in partnership with non-profit neighborhood groups, universities, state and local government, and other stakeholders. This flexible, services-oriented model allows PHA to leverage PHA and partner resources to provide public housing options and, where appropriate and feasible, related health care, educational, and/or other necessary services to low-income families and individuals. Authorized features of this initiative include, but are not limited to, the following:

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

APPROVAL AND IMPLEMENTATION

- Approved FY 2011
- Implemented FY 2012
- Modified FY 2013 to incorporate specific components applicable to the youth aging out of foster care partnership with the Philadelphia Department of Human Services (DHS)

HARDSHIP

Not applicable.

IMPACT

An additional forty (40) units of new public housing and services for low-income seniors were created under this initiative in FY 2017. The new St. Francis Villa development is now open and fully occupied.

CHANGES TO METRICS

No changes have been made to the metrics identified in the FY 2017 Annual Plan.

<i>HC #1: Additional Units of Housing Made Available</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0	40 units	40 units	Yes
<i>CE #4: Increase in Resources Leverage – ALL Planned FY 2017 Projects</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase).	\$0	\$10,560,000	\$10,560,000	Yes

MTW ACTIVITY 2004-1: NEIGHBORHOOD DEVELOPMENT AND REVITALIZATION INITIATIVES

DESCRIPTION

PHA utilizes MTW authority to substantially increase housing choices for residents and applicants. PHA is continuing to implement an ambitious program of new construction, substantial rehabilitation, and modernization designed to revitalize PHA public housing developments, replace distressed housing lost to demolition and lack of capital funds, and improve Philadelphia's neighborhoods. Public housing development or redevelopment activities directly undertaken by PHA as developer are included under this initiative. To support these redevelopment activities, PHA continues to implement the following MTW components, which also support the Partnership Initiative and other MTW activities:

- Design Standards - PHA continues to implement reasonable and modest design standards for new construction and rehabilitation work that mirror current design trends and the 21st century needs of residents.
- Total Development Cost Limits and Housing Cost Caps - PHA has established and maintains reasonable cost limits for development and redevelopment activities that replace HUD's Total Development Cost (TDC) limits and Housing Cost Caps (HCC).
- Streamlined Mixed-Finance Development Process - PHA is authorized to develop public housing through several financing methods, including the mixed-finance approach, which involves the use of private financing, Housing Choice Vouchers, and public housing development funds.
- MTW Site and Neighborhood Standards - PHA is authorized to implement alternate Site and Neighborhood Standards for its public housing and voucher programs, in lieu of those standards at 24 CFR § 941.202(b)-(d) and 24 CFR 983.57.
- Streamlined Acquisition Process - Subject to the provisions of the MTW Agreement, PHA is authorized to acquire sites without prior HUD approval, provided that the agency certifies that HUD site selection requirements have been met.
- Strategy for Development - PHA has adopted a Development-Asset Management Strategy for Public Housing that takes a comprehensive neighborhood-by-neighborhood and block-by-block approach to redeveloping, consolidating, rehabilitating, demolishing, and acquiring and disposing of scattered site units independently and in partnership with government and other local neighborhood-based organizations.

APPROVAL AND IMPLEMENTATION

- Design Standards
 - Approved FY 2004
 - Implemented FY 2004
- Total Development Cost Limits and Housing Cost Caps
 - Approved FY 2004
 - Implemented FY 2004
- Streamlined Mixed-Finance Development Process
 - Approved FY 2004

- Implemented FY 2004
- MTW Site and Neighborhood Standards
 - Approved FY 2004
 - Implemented FY 2004
- Streamlined Acquisition Process
 - Approved FY 2002
 - Implemented FY 2002
- Strategy for Development
 - Approved FY 2005
 - Implemented FY 2005

HARDSHIP

Not applicable.

IMPACT

PHA projected that 6 new public housing units would be developed at Markoe Street in FY 2017 under this initiative; however, PHA is in the process of revising the plans for this proposed development and will provide additional information in future reports.

CHANGES TO METRICS

No changes have been made to the metrics identified in the FY 2017 Annual Plan.

<i>CE #1: Agency Cost Savings*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease)	TBD	\$0	\$0	Yes
<i>*PHA has previously noted that this metric is not applicable to this activity; however, HUD has required its use. PHA is not able to derive a baseline for these activities which were initially implemented in FY 2004 (i.e. over 10 years before implementation of HUD standard metrics).</i>				
<i>CE #2: Staff Time Savings*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	TBD	0	0	Yes
<i>CE #3: Decrease in Error Rate of Task Execution**</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease).	0	0	0	Yes
<i>**PHA has previously noted that this metric is not applicable to this activity; however, its use is required by HUD. PHA does not track error rates associated with the Neighborhood Development and Revitalization Initiative activities listed above.</i>				

<i>CE #4: Increase in Resources Leveraged</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase).	\$0	TBD		
<i>HC #1: Additional Units of Housing Made Available</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0	6 in FY 2017	0	No
<i>HC #2: Units of Housing Preserved</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase).	0	0	0	Yes
<i>HC #3: Decrease in Wait List Time*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average applicant time on wait list in months (decrease).	Public Housing – 14 years for participants housed in FY 2015	TBD		
*PHA establishes new site based waiting lists for each new development. The baseline used is the agency wide average wait time for Public Housing. PHA does not know how many applicants will apply for the proposed development(s); therefore, is unable to establish a benchmark for this development at this time.				
<i>HC #5: Increase in Resident Mobility</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0	6 units in FY 2017	0	No

MTW ACTIVITY 2004-2: SERVICE-ENRICHED HOUSING FOR SENIORS AND PEOPLE WITH DISABILITIES

DESCRIPTION

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

- Nursing Home Transition – The Nursing Home Transition Initiative (NHTI) is a partnership with the Department of Public Welfare (DPW) that assists persons transitioning out of nursing homes with accessing affordable housing. As part of NHTI, PHA administers seventy-five (75) state-supported vouchers/housing opportunities for referrals of disabled consumers in need of low-income housing. NHTI families may be eligible for a preference for public housing or HCV.
- Definition of Elderly – An elderly person is defined as an individual who is at least 55 years old. An elderly family is defined as one with a head of household, co-head, spouse or sole member who is at least 55 years old.

In late 2016, PHA transitioned its Adult Day Care (ADC) program to a third-party provider. PHA is no longer providing ADC services directly and is no longer using MTW Funds or waivers to support this program. As such, this component of the activity has been moved to the section of the Report on “Closed-Out” activities.

APPROVAL AND IMPLEMENTATION

- Nursing Home Transition
 - Approved FY 2010
 - Implemented FY 2010
- Definition of Elderly
 - Approved FY 2004
 - Implemented FY 2004

HARDSHIP

Not applicable.

IMPACT

Overall, PHA assisted 64 low-income people with disabilities in FY 2017 through the Nursing Home Transition Initiative (NHT). These individuals were able to move from nursing homes into the community, providing a dramatic improvement in the quality of life while also saving state resources. Note that PHA did not achieve its specified benchmark of serving 75 individuals; however, NHT is a need-based referral program, and PHA does not conduct its own outreach. As such, utilization of allotted NHTI slots is a function of referrals received from a third party.

CHANGES TO METRICS

No changes have been made to the metrics identified in the FY 2017 Annual Plan.

<i>HC #5: Increase in Resident Mobility</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0 – Adult Day Care (ADC) 0 – Nursing Home Transition (NHT)	53 – ADC 75 – Ongoing (NHT)	35 – ADC* 52 vouchers (NHT) 12 PH units (NHT)	No
<i>HC #7: Households Assisted by Services that Increase Housing Choice (Adult Day Care and Nursing Home Transition)</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice (increase).	0 – Adult Day Care (ADC) 0 – Nursing Home Transition (NHT)	53 – ADC 75 – Ongoing (NHT)	35– ADC* 52 vouchers (NHT) 12 PH (NHT)	No
*PHA served 35 clients under ADC up until transition of the program to a third-party provider. PHA no longer directly operates the ADC program.				

MTW ACTIVITY 2004-3: SIMPLIFICATION AND STREAMLINING OF RENT AND RECERTIFICATION PROCESSES FOR PUBLIC HOUSING AND HCV

DESCRIPTION

PHA has implemented a series of initiatives in the public housing and/or HCV programs designed to simplify rent calculation and the recertification, streamline administrative processes, and reduce paperwork burdens on residents and staff.

- Two and Three-Year Recertification/Limit on Interims – Public Housing and HCV require recertifications every two years, except for public housing residents choosing ceiling rents who are recertified every three years. Voluntary interim recertifications are restricted to one every six months, except for elderly and disabled households who are exempt from this restriction. PHA will process voluntary interim rent reductions if and when the reduction in income lasts for more than 30 days. In FY 2017, PHA began conducting recertifications every three years for elderly or disabled households on fixed incomes in both the HCV and public housing program.
- Ceiling Rents – PHA has established ceiling rents for its public housing developments, which are periodically updated. PHA tenants will continue to have the option of selecting either a ceiling rent or an income-base rent.
- Rent Calculation Method – PHA has established an alternative rent structure for the HCV and public housing programs to motivate residents to work and accumulate savings. In FY 2017, PHA began allowing households with up to \$50,000 in assets to self-certify asset value and income from the assets. Asset income is excluded when the value of the household's asset is less than \$50,000. Asset income for household assets valued at greater than \$50,000 is calculated by using the market value of the asset times the passbook savings rate. Also in FY 2017, PHA began excluding all full-time student earned income for family members other than the Head, Spouse or Co-Head and PHA discontinued verification of full-time student income as 100% of the income is excluded.
- Payment Standards – PHA has implemented a policy in the HCV program whereby the current payment standard is applied at regular recertification. In FY 2017, PHA began approving payment standards up to 120% of the FMR to support leasing for existing voucher clients and/or new voucher holders who wish to move to areas with documented improved educational systems, job opportunities, social services and other opportunities in the expectation that over time their need for housing and other subsidies will abate or diminish.
- Reasonable Rent
 - PHA has developed and implemented a reasonable rent policy for the HCV program whereby reasonable rent determinations are completed at initial lease up, upon request for a rent increase, and at other times PHA deems it necessary to conduct a reasonable rent redetermination.
 - PHA may implement across-the-board rent increases or rent freezes for properties in the HCV program. When and if an across-the-board rent increase is awarded, PHA will complete a reasonable rent determination at the time of the next annual HQS inspection and apply applicable policies related to reasonable rent when and if the rent is not reasonable.
- Utility Allowances
 - PHA is authorized to implement a revised utility allowance methodology that includes the following components:

- HCV participants who are responsible for paying gas heat and who are eligible to participate in the PGW Customer Responsibility Program (CRP) have the gas portion of their utility allowances calculated using an alternative methodology. PHA may elect to implement this utility allowance program in public housing where applicable.
 - PHA will periodically, at its discretion, review HCV utility allowance schedules to determine if adjustments are required. Annual updates are not required.
 - Utility allowances may be phased out for residents with incomes at or above 80% of Area Median Income or PH Residents on ceiling rent.
 - PHA will review and modify public housing utility schedules periodically based on an assessment of available HUD funding and the requirements of the MTW Agreement and Plan.
- PHA is also authorized to expand the utility allowance policy to require public housing and HCV tenants receiving either heat or electric utility allowances to enroll and participate in the PECO Customer Assistance Plan, LIHEAP and any other applicable programs that offer reduced rates, energy usage grants, or other financial incentives to low-income households.
 - For HCV participants only, during an interim recertification PHA will apply the utility allowance in effect on the effective date of the interim recertification; however, families on the Alternate UA CRP Program will have their gas utility allowance updated at the time of interim recertification consistent with PHA's MTW UA policies. During an interim recertification, PHA will apply the payment standard in effect at the last regular recertification.

APPROVAL AND IMPLEMENTATION

- Two and Three-Year Recertification/Limit on Interims
 - Approved FY 2004
 - Implemented FY 2004
- Ceiling Rents
 - Approved FY 2004
 - Implemented FY 2004
- Rent Calculation Method
 - Approved FY 2004
 - Implemented FY 2004
 - Modified FY 2017
- Payment Standards
 - Approved FY 2008
 - Implemented FY 2008
- Reasonable Rent
 - Across-the-board Rent Increases
 - Approved FY 2008
 - Implemented FY 2008
 - Streamline Reasonable Rent Determinations
 - Approved FY 2005
 - Implemented FY 2005

- Utility Allowances
 - PGW CRP Program
 - Approved FY 2009
 - Implemented FY 2014
 - PECO Customer Assistance Plan Enrollment
 - Approved FY 2011
 - Not yet implemented
 - Interim Recertification Utility Allowance
 - Approved FY 2017
 - Implemented FY 2017

HARDSHIP

PHA has adopted a hardship policy which considers exceptions to all of PHA's rent and utility allowance policies on a case-by-case basis for families who can demonstrate a long term hardship that will result from application of the policies to them, or as a reasonable accommodation. Hardship exemption requests must be submitted in writing and explain the nature of the hardship and include any applicable documentation.

In FY 2017, PHA did not receive any hardship requests related to these policies.

IMPACT

PHA has achieved significant cost and staff time savings as a result of these MTW activities as indicated by the outcome metrics below. Improvements to resident employment levels and earned income have also been achieved. Further, the policies have a significant positive impact on residents, who experience a less intrusive and more predictable set of rent policies.

CHANGES TO METRICS

No changes have been made to the metrics identified in the FY 2017 Annual Plan. PHA continues to note that the below metrics do not accurately reflect the success of this activity as they do not account for unit/population turnover (i.e. households moving out over multiple years). The baselines reflect a snapshot in time and do not account for families leaving and being replaced by lower-income families resulting in the make-up of the populations being increasingly different over time.

<i>CE #1: Agency Cost Savings*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease)	\$878,122 (estimate)	\$335,974	\$264,188	Yes
<i>*Includes HCV and PH.</i>				
<i>CE #2: Staff Time Savings*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	56,110 hours (estimate)	42,075 hours	16,881 hours	Yes

<i>*Includes HCV and PH.</i>				
CE #3: Decrease in Error Rate of Task Execution				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease).	5%	5%	5%	Yes
CE #5: Increase in Agency Rental Revenue – Utility Allowance Policy*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Rental revenue in dollars (increase).	\$606,753	\$606,753	\$1,006,775	Yes
<i>*Represents agency cost savings.</i>				
SS #1: Increase in Household Income				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase). – HCV	\$17,032	\$18,331	\$22,409	Yes
Average earned income of households affected by this policy in dollars (increase). – PH	\$20,749	\$20,749	\$16,375	No
SS #3: Increase in Positive Outcomes in Employment Status *				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Increase in Positive Outcomes in Employment Status – Employed (increase).	36% (n=4,725) of work-able households as of 3/31/14	Increase work-able households with employment income to 42% (n=5,263)*	6,113 (45%) of work-able heads	Yes
Increase in Positive Outcomes in Employment Status – Unemployed (decrease).	64% (n=8,282) of work-able households as of 3/31/14	Decrease work-able households without employment income to 58% (n=7,222)	7,503 (55%) of work-able heads	Yes (based on percentage)
<i>*Combined PH and HCV. Work-able includes non-elderly, non-disabled households only.</i>				
SS #8: Households Transitioned to Self Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).*	0 households	295 households in FY 17	721 households	Yes
<i>*Combined PH and HCV. For HCV, PHA defines a household that transitions to self-sufficiency as an HCV participant who exit the program as a result of being over-income or one that receives no HAP subsidy but still qualifies as program participants. For public housing, PHA defines a household that transitions to self-sufficiency as a public housing household whose income is 80% or greater of Area Median Income.</i>				

MTW ACTIVITY 2004-4: UNIT-BASED LEASING AND DEVELOPMENT PROGRAM

DESCRIPTION

Expanding the supply of affordable housing in Philadelphia continues to be PHA's top priority. Under PHA's Unit-Based Leasing and Development Program ("UBV" or the "Unit-Based Program"), PHA negotiates long-term subsidy contracts with for-profit and non-profit private sector housing providers based on property specific agreements. PHA prioritizes the selection of developments which serve underserved populations and/or which incorporate supportive services on-site or nearby. Key features of PHA's UBV program include:

- PHA's Site Selection Standards for the UBV program will comply with the alternate Site and Neighborhood Standards described at Attachment C, Section D (7)(c) to PHA's MTW Agreement.
- The rent to the owners participating in the UBV program funded with MTW HCV funds will not exceed the lowest of 110% of the applicable fair market rent, the reasonable rent, the rent requested by the owner or such other amount determined by PHA to be appropriate for the unit based upon the nature of the unit and the RFP from which the owner was selected. For example, in certain cases, PHA may determine that a shallow subsidy is more appropriate.
- Unless part of its "shallow" subsidy UBV program, PHA will not attach or pay UBV assistance to units that are already receiving another form of subsidized housing operating assistance. With respect to a shallow subsidy UBV program, PHA will not attach or pay UBV assistance to units receiving another form of subsidized operating assistance if the UBV assistance would be duplicative or would otherwise over-subsidize the unit. PHA may determine the effect of subsidy on rent to owners and the duplication of subsidy or excessive subsidy, subject to the requirements regarding subsidy layering as set forth in the HUD Reform Act of 1989.
- PHA may unit-base up to 100 percent of the dwelling units in any UBV project or building.
- PHA may select its own units for project-basing with UBV assistance without a competitive process. Pursuant to Attachment C, Section D (7)(a), PHA may unit-base assistance at properties other than public housing properties owned directly or indirectly by PHA, including those owned by PHA affiliates or instrumentalities. For purposes of this selection method, a property that may be unit-based may be a former public housing property that has been converted to HCV assistance.
- Pursuant to Attachment C, Section D (1)(f), under either the UBV program or the Partnership Initiatives, PHA may attach or pay UBV assistance using HCV MTW funds to unit types currently prohibited by standard Section 8 regulations including, but not limited, to shared living facilities. Such units must comply with applicable alternate MTW Site and Neighborhood Standards.
- An owner of a unit assisted under the UBV program for MTW HCV funds may elect to receive referrals from PHA's waiting list or to use a site-based waiting list for selection of tenants for a site. For owners using a site-based waiting list, owners must refer families to PHA for eligibility screening.
- A family residing in a UBV unit funded with MTW HCV funds may terminate the lease at any time after the initial term. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to PHA. Once a family terminates the lease, the family will no longer be part of the HCV or UBV program. Pursuant to PHA's MTW authority, PHA does

not provide UBV participant families who want to move with tenant- based assistance with a tenant-based HCV voucher, except where required under the RAD program or otherwise offered by PHA as a reasonable accommodation, VAWA transfer or due to HQS failures under certain circumstances.

- PHA will apply its MTW UBV policy to RAD developments and may project-base 100% of the units in a RAD UBV development.
- PHA is not subject to the requirement for an independent entity to approve AHAP/HAP contract terms, renewals of HAP contracts, rent determinations and inspection of PHA owned units.
- PHA may utilize local forms which reflect PHA's MTW UBV policies and procedures as an alternative to HUD standard forms. For example, PHA will prepare a local PB HAP contract and PB Tenancy Addendum to reflect MTW policies including but not limited to, rent determination methods, recertification frequencies and right to move policies.

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

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

The specific details of each UBV agreement will be defined prior to closing and shall be subject to HUD review and approval, where applicable, as part of the mixed-finance transaction closing process.

See Table 17 on page 35 for a listing of all UBV projects under HAP contract as of 3/31/2017, including new units placed under HAP contract in FY 2017.

APPROVAL AND IMPLEMENTATION

- Approved FY 2004
- Implemented FY 2004
- Further modifications approved in FY 2017

HARDSHIP

PHA will provide a tenant-based voucher to a UBV tenant as a result of extended HQS failures. PHA may offer a tenant-based voucher to a UBV tenant who has successfully completed the FSS program and has been deemed eligible for a Homeownership Voucher. In extenuating circumstances and subject to funding availability, PHA may offer tenant-based assistance according to the hierarchy of UBV transfers, for households requiring:

- Transfers due to Personal Safety/VAWA/Other Emergency;

- Reasonable accommodation transfers.

In FY 2017, there were 22 hardship requests, all of which were approved.

IMPACT

In total, PHA has 3,055 units under UBV contract of which 2,407 were leased as of 3/31/2017. In FY 2017, PHA entered into contracts for 1,049 additional UBV units, of which there were 11 new HAP contracts with a total of 442 units in either new construction or substantial rehabilitation developments. As previously noted, overall PHA entered into new HAP contracts for 1,049 units during the fiscal year.

CHANGES TO METRICS

<i>HC #1: Additional Units of Housing Made Available*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0 units	446 units	442 units	No
<i>*HUD requires this metric track only <u>newly constructed and/or rehabilitated</u> units that were put under HAP Contract during the Plan year.</i>				
<i>HC #5: Increase in Resident Mobility</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0 households	2,474 households	2,407 households	No
<i>HC #7: Households Assisted by Services that Increase Housing Choice</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice (increase).	0 households	916 households	1,162 households	Yes

Table 17: Unit Based Voucher Developments – FY 2017

Development Name	Sponsor	Building Type	Neighborhood Location	Voucher Units	Target Population	Supportive Services
46 th St	Mission First Housing Group	Low rise apartments and row homes	West Philadelphia	4	Mental health, chemical dependency	yes
5317 S 15 th St	Mission First Housing Group	Low rise apartments and row homes	North	1	Mental health, chemical dependency	yes
7 th and Ritner	Mission First Housing Group	Low rise apartments and row homes	South Philadelphia	5	Mental health, chemical dependency	yes
Academy Rd	Mission First Housing Group	Low rise apartments and row homes	Northeast Philadelphia	18	Mental health, chemical dependency	yes
Benner/ Frankford	Mission First Housing Group	Low rise apartments and row homes	Northeast	8	Mental health, chemical dependency	yes
Blakiston St	Mission First Housing Group	Low rise apartments and row homes	Northeast Philadelphia	7	Mental health, chemical dependency	yes
Chestnut St	Mission First Housing Group	Low rise apartments and row homes	University City	6	Mental health, chemical dependency	yes
Conklin St	Mission First Housing Group	Low rise apartments and row homes	Northeast Philadelphia	3	Mental health, chemical dependency	yes
Ditman St	Mission First Housing Group	Low rise apartments and row homes	Northeast Philadelphia	10	Mental health, chemical dependency	yes
Jackson St	Mission First Housing Group	Low rise apartments and row homes	Germantown	2	Mental health, chemical dependency	yes
Kendrick/ Gillespie	Mission First Housing Group	Low rise apartments and row homes	Northeast Philadelphia	11	Mental health, chemical dependency	yes
Keystone St	Mission First Housing Group	Low rise apartments and row homes	Northeast Philadelphia	6	Mental health, chemical dependency	yes
Larchwood	Mission First Housing Group	Low rise apartments and row homes	West Philadelphia	4	Mental health, chemical dependency	yes
Martin St	Mission First Housing Group	Low rise apartments and row homes	Roxborough	7	Mental health, chemical dependency	yes
Morton St	Mission First Housing Group	Low rise apartments and row homes	Germantown	2	Mental health, chemical dependency	yes
Osage Ave	Mission First Housing Group	Low rise apartments and row homes	West Philadelphia	2	Mental health, chemical dependency	yes
Preston St	Mission First Housing Group	Low rise apartments and row homes	West Philadelphia	7	Mental health, chemical dependency	yes
Reed St	Mission First Housing Group	Low rise apartments and row homes	South Philadelphia	8	Mental health, chemical dependency	yes

Development Name	Sponsor	Building Type	Neighborhood Location	Voucher Units	Target Population	Supportive Services
Rhawn St	Mission First Housing Group	Low rise apartments and row homes	Northeast Philadelphia	11	Mental health, chemical dependency	yes
Sheff/Wingate	Mission First Housing Group	Midrise apartments	Northeast Philadelphia	8	Mental health, chemical dependency	yes
South Phila Scattered	Mission First Housing Group	Low rise apartments and row homes	South Philadelphia	19	Mental health, chemical dependency	yes
Spruce St	Mission First Housing Group	Low rise apartments and row homes	West Philadelphia	3	Mental health, chemical dependency	yes
Thompson St	Mission First Housing Group	Low rise apartments and row homes	West Philadelphia	20	Mental health, chemical dependency	yes
Walnut St	Mission First Housing Group	Midrise apartments	Center City	15	Mental health, chemical dependency	yes
Arch VII/LIH Walnut	Mission First Housing Group	Low rise apartments and row homes	West Philadelphia	14	Mental health, chemical dependency	yes
Fourth St Access	Mission First Housing Group	Row homes and triplexes	North Philadelphia	24	Families	no
Monument Mews	Mission First Housing Group	Low Rise apartments and row homes	West Philadelphia	60	Families	no
Parkside 10	Mission First Housing Group	Scattered triplexes	West Philadelphia	41	Families	no
Parkside 11	Mission First Housing Group	Scattered triplexes	West Philadelphia	8	Families	no
Sheila D Brown Women's Ctr	Mission First Housing Group	Low rise apartments	South Philadelphia	9	Women/ behavioral disabilities	yes
Arch V Temple	Mission First Housing Group	Low rise apartments	North Philadelphia	49	Families	no
Arch VI Temple	Mission First Housing Group	Low rise apartments	North Philadelphia	40	Families	no
Art Apartments	Pine Lake Management Associates LP	Low rise apartments	West Philadelphia	30	Families	no
Bethesda Project Bainbridge	Bethesda Project Inc.	Low rise apartments	South Philadelphia	20	homeless	yes
Bethesda Project South	Bethesda Project Inc.	Low rise apartments	Center City Philadelphia	4	Homeless	yes
Bethesda Project Spruce	Bethesda Project Inc.	Low rise apartments	Center City Philadelphia	13	Homeless	yes
Borinquen	Borinquen Associates II Limited	Scattered row homes	North Philadelphia	17	Families	no
Brentwood Parkside	Mission First Housing Group	High rise apartments	West Philadelphia	22	Seniors & families	no
Patriot House	Citizens Acting Together Can Help, Inc.	Low rise apartments	South Philadelphia	15	Homeless	yes
Anna's House	Citizens Acting Together Can	Low rise apartments	South Philadelphia	12	Homeless, mental health	yes

Development Name	Sponsor	Building Type	Neighborhood Location	Voucher Units	Target Population	Supportive Services
	Help, Inc.					
Pennrose	Citizens Acting Together Can Help, Inc.	Low rise apartments	South Philadelphia	10	Homeless	yes
Sandy's/Catherine House	Citizens Acting Together Can Help, Inc.	Low rise apartments	South Philadelphia	3	Homeless	yes
Chatham Court Apartments	Ingerman	Low rise apartments	West Philadelphia	18	Families	no
Cloisters	Cloisters III Housing Partnership	Low rise apartments/ duplexes and row homes	West Philadelphia	18	Homeless	yes
Dignity 1	Community For Dignity & Fairness	Scattered row homes	Germantown/	10	Women with children (domestic abuse)	yes
Dignity 4	Community For Dignity & Fairness	Scattered row homes	Logan (Northwest Philadelphia)	3	Women with children (domestic abuse)	yes
Dignity 15	Community For Dignity & Fairness	Scattered row homes	Germantown/ Mt. Airy	4	Women with children (domestic abuse)	yes
Dignity 21	Community For Dignity & Fairness	Scattered row homes	Germantown	11	Women with children (domestic abuse)	yes
Dignity 33	Community For Dignity & Fairness	Scattered row homes	Mt. Airy	16	Women with children (domestic abuse)	yes
Dignity Boss	Community For Dignity & Fairness	Scattered row homes	Germantown/M t. Airy	8	Women with children (domestic abuse)	yes
Dignity Nedro	Community For Dignity & Fairness	Low rise apartments	Logan (Northwest Philadelphia)	4	Women with children (domestic abuse)	yes
Dunlap School Venture	Ironstone Strategic Capital Partner	Low rise apartments	West Philadelphia	35	Seniors	no
Edgewood Manor	Ingerman	Low rise apartments	North Philadelphia	33	Families	no
Elders Place I	Penn Housing LLC	High rise apartments	Germantown	43	Seniors	no
Elders Place II	Penn Housing LLC	Low rise apartments	Germantown	38	seniors	no
Freedom Village	Mission First Housing Group	Low rise apartments	North Philadelphia	16	Families	no
Gaudenzia Shelton Court	Gaudenzia Foundation Inc.	Triplex and low rise apartments	North Philadelphia	19	Young women (chemical dependency)	yes
Hancock Manor	Impact Services	Low rise apartments	North Philadelphia	14	Homeless veterans	yes
Hamill Mills	Lena St Associates	Low rise apartments	Germantown	40	Seniors	no
HELP IV Gorvers Lane	HELP USA	Low rise apartments	West Philadelphia	15	Veterans	yes

Development Name	Sponsor	Building Type	Neighborhood Location	Voucher Units	Target Population	Supportive Services
HELP Philadelphia II	HELP USA	Low rise apartments	West Philadelphia	50	Transitional housing for women	yes
HELP I	HELP USA	Row homes	West Philadelphia	14	Veterans	yes
Imani I	Peoples Emergency Center	Row homes	West Philadelphia	24	Homeless families	no
Imani II	Peoples Emergency Center	Row homes	West Philadelphia	6	Homeless families	no
Imani III	Peoples Emergency Center	Row homes	West Philadelphia	6	Homeless families	no
Imani IV	Peoples Emergency Center	Row homes	West Philadelphia	8	Homeless families	no
Imani V	Peoples Emergency Center	Row homes	West Philadelphia	11	Homeless families	yes
Impact Veteran's Family Center	Impact Services	Low rise apartments	North Philadelphia	8	Veteran families	yes
Inglis Apartments at Elmwood	Inglis House	Low Rise apartments and row homes	West Philadelphia	40	Seniors and disabled	yes
Inglis Housing (Morris-Klein Apts)	Inglis House	High rise apartments	West Philadelphia	17	Seniors and disabled	yes
Belmont I	Inglis House	Low Rise apartments	West Philadelphia	25	Seniors and disabled	yes
Belmont II	Inglis House	Low Rise apartments	West Philadelphia	15	Seniors and disabled	yes
Ascension Manor	Michaels Organization	Low rise apartments	North Philadelphia	3	Disabled	yes
Liberty at Disston	Liberty Resources	Low rise apartments	Northeast Philadelphia	5	Disabled	yes
Liberty at Welsh	Liberty Resources	Low rise apartments	West Philadelphia	2	Disabled	yes
Praveen Chestnut	Liberty Resources	Low rise apartments	West Philadelphia	2	Disabled	yes
Lehigh Park	St Christopher's Associates L P VIII	High rise apartments	North Philadelphia	25	Families/self sufficiency	yes
Los Balcones	Norris Square Civic Association	Row homes	North Philadelphia	21	Families	no
Monument Rd	Methodist Family Services of Philadelphia	Low-rise apartments	West Philadelphia	11	Emancipated teens, homeless	yes
Hope Bridge (Vine St)	Methodist Family Services of Philadelphia	Low-rise apartments	West Philadelphia	20	Homeless	yes
Hope Bridge (Ogden)	Methodist Family Services of Philadelphia	Low-rise apartments	West Philadelphia	4	Homeless	yes

Development Name	Sponsor	Building Type	Neighborhood Location	Voucher Units	Target Population	Supportive Services
Sedgley Apartments	Mission First Housing Group	Low-rise apartments	North Philadelphia	16	Families	no
Mt. Vernon	Mt. Vernon Manor CDC	Low-rise apartments	West Philadelphia	15	Families	no
Mt. Vernon II	Mt. Vernon Manor CDC	Townhomes	West Philadelphia	15	Families	no
New Courtland Apts at Cliveden	New Courtland	High-rise apartments	Germantown	32	Seniors	no
NPCH - Community Building	NPCH Associates	Duplex apartments	North Philadelphia	16	Families	no
Paseo Verdes	Asociación Puertorriqueños en Marcha	Row homes	North Philadelphia	19	Families	no
Bernice Elza	Peoples Emergency Center	Low-rise apartments	West Philadelphia	6	Emancipated teens, homeless	yes
Fattah Homes I	Peoples Emergency Center	Scattered Row homes	West Philadelphia	6	Homeless families	yes
Jannie's Place I	Peoples Emergency Center	Low-rise apartments	West Philadelphia	6	Homeless families	yes
Jannie's Place II	Peoples Emergency Center	Low-rise apartments	West Philadelphia	11	Homeless families	yes
Spring Garden	Peoples Emergency Center	Low-rise apartments	West Philadelphia	9	Homeless families	yes
810 Arch Street	Project Home	High-rise apartments	Center City	70	Homeless, homeless youth, elderly couples	yes
JBH Homes	Project Home	Low-rise apartments	Fairmount	15	Alcohol dependency	yes
Kate's Place	Project Home	High-rise apartments	Center City Philadelphia	5	Homeless/ chemical dependency	yes
Kate's Place	Project Home	High-rise apartments	Center City Philadelphia	30	Homeless/ chemical dependency	yes
Ray's Place	Project Home	Low-rise apartments	North Philadelphia	17	Veterans, mental health	yes
Gordon Street	Philadelphia Housing Authority	Row homes	North Philadelphia	21	Families	no
Oakdale Street Apartments	Philadelphia Housing Authority	Row homes	North Philadelphia	12	Families	no
Sarah Allen V	Sarah Allen Community Homes LP	Low-rise apartments	West Philadelphia	3	Families	no
Sarah Allen Homes	Sarah Allen Community Homes LP	Low-rise apartments	West Philadelphia	1	Families	no
Sarah Allen IV	Sarah Allen Community Homes LP	Low-rise apartments	West Philadelphia	2	Families	no

Development Name	Sponsor	Building Type	Neighborhood Location	Voucher Units	Target Population	Supportive Services
Powelton Heights	Mission First Housing Group	Low-rise apartments	West Philadelphia	30	Seniors	no
Regent Terrace	Regent Terrace Housing Partnership	Low-rise apartments	West Philadelphia	80	Families	no
Sartain School Apartments	IronStone Strategic Capital Partners	Low-rise apartments	North Philadelphia	35	Seniors	no
South 55th St	Ingerman	Duplex apartments	West Philadelphia	18	Families	no
Susquehanna Apartments	Susquehanna Apts LP	Low-rise apartments	North Philadelphia	47	Families	no
Tioga Gardens	Odin Properties	Low-rise apartments	North Philadelphia	17	Families	no
Walnut Park Plaza	Michaels Organization	High-rise apartments	West Philadelphia	224	Seniors	no
Walnut Park Plaza	Michaels Organization	High-rise apartments	West Philadelphia	3	Disabled seniors	no
4th & Diamond	Women's Community Revitalization Project	Row homes	North Philadelphia	32	Families	yes
INB Mascher	Women's Community Revitalization Project	Row homes	North Philadelphia	12	Families	yes
WCRP-Scattered	Women's Community Revitalization Project	Row homes	North Philadelphia	21	Families	yes
WCRP Tillmon Villanueva	Women's Community Revitalization Project	Row homes	North Philadelphia	38	Families	yes
WCRP - Grace Townhomes	Women's Community Revitalization Project	Row homes	North Philadelphia	36	Families	yes
Courtyard at Riverview (RAD Conversion)	Michaels Organization	High-rise Apartments/Row homes	South Philadelphia	470	Families & seniors	no
HELP V - RAD	Help USA	Low rise apartments	Northern Liberties	37	Seniors & veterans	yes
New Courtland-St. Barts - RAD	New Courtland	Mid-rise Apartments	Northeast Philadelphia	42	Seniors	yes
PH-2415 N Broad St - RAD	Project Home	Low rise apartments	North Philadelphia	88	Homeless individuals	yes
PHA-Blumberg I- RAD	PHA	Row homes	North Philadelphia	51	Families	no
PHA-Blumberg II - RAD	PHA	Row homes	North Philadelphia	6	Seniors	no
St John Neumann Place II - RAD	Archdiocese of Philadelphia	Low-rise Apartments	South Philadelphia	52	Seniors	no
4050 Apts	People's Emergency	Low-rise apartments	West Philadelphia	20	Homeless families	yes

Development Name	Sponsor	Building Type	Neighborhood Location	Voucher Units	Target Population	Supportive Services
	Center					
Lehigh Park I and II-PBV and RAD	HACE	Low-rise apartments	North Philadelphia	74	Families	no
Strawberry Mansion-RAD	PHA	Low-rise apartments	North Philadelphia	55	Families	no
			TOTAL	3,055		

MTW ACTIVITY 2005-2: STREAMLINE THE ADMISSIONS AND TRANSFER PROCESS

DESCRIPTION

PHA has established MTW policies designed to streamline the admissions and transfer policies for both Public Housing and HCV Programs:

- **MTW Transfers** - PHA may authorize a limited number of split-family transfers from Public Housing to the Housing Choice Voucher Program and vice versa. These transfers are referred to as MTW transfers. PHA provides for up to 50 Housing Choice Vouchers and 50 PH units to be transferred back and forth between PH and the HCV program. No more than 100 moves are authorized per fiscal year.
- **HCV Waiting List** - Once a family is leased under the HCV Program, the family may remain on the waiting lists for Tax Credit and Public Housing sites. Additionally, PHA may require that the family sign an agreement whereby the family acknowledges they will not be eligible for selection from the Tax Credit or Public Housing site waiting lists until the initial lease term has been completed.
- **Public Housing Waiting List** - Once a family is housed in public housing, the family will be removed from all other scattered site and conventional PH waiting lists. However, a family may remain on the HCV and/or Tax Credit Site waiting lists. Additionally, PHA may require that the family sign an agreement whereby the family acknowledges that their name will be removed from all other scattered site and conventional PH waiting lists and they will not be eligible for selection.

APPROVAL AND IMPLEMENTATION

- **MTW Transfers**
 - Approved FY 2005
 - Implemented FY 2005
- **HCV Waiting List**
 - Approved FY 2012
 - Implemented FY 2012
- **Public Housing Waiting List**
 - Approved FY 2012
 - Implemented FY 2012

HARDSHIP

Not applicable.

IMPACT

During FY 2017, 8 households transferred from Public Housing to HCV and 8 households transferred from HCV to Public Housing under the MTW transfer portion of this activity.

CHANGES TO METRICS

No changes were made to the baseline or benchmarks listed in the FY 2017 Annual Plan.

<i>HC #3: Decrease in Wait List Time – MTW Transfers</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average applicant time on wait list in months (decrease).	PH – 14 years in FY 2015 HCV – 4.5 years in FY 2015	PH – 14 years HCV – 5 years	PH – < 1 year in FY 2017 HCV – < 1 year in FY 2017	Yes
<i>HC #5: Increase in Resident Mobility – MTW Transfers</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0	29 (estimate)	8 households transferred from PH to HCV 8 households transferred from HCV to PH	No, however this is a demand-driven metric.
<i>CE #1: Agency Cost Savings – MTW Transfers*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	TBD	TBD	N/A	N/A
<i>CE #2: Staff Time Savings – HCV and Public Housing Waiting Lists*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	TBD	TBD	N/A	N/A
*PHA has previously indicated that PHA does not believe these metrics are applicable to this activity. However, HUD has required their use. PHA is not able to derive a baseline for these activities which were initially implemented in FY 2005 (i.e. almost 10 years before implementation of HUD standard metrics).				

MTW ACTIVITY 2005-3: HCV PROGRAM EFFICIENCIES

DESCRIPTION

PHA has implemented additional efficiencies in the HCV Program designed to simplify processing and streamline administrative processes. This activity includes:

- Restriction on Elective Moves –Families are permitted to move within PHA's jurisdiction after the initial term of assisted occupancy and at the time of regular recertification.
- Criteria for Portability Moves – PHA has established criteria for all port out moves. The criteria requires that MTW voucher participants requesting to port out provide a verified employment, education, safety, or medical/disability need to support their move to another jurisdiction.
- Development of Local Forms - PHA will prepare local forms which reflect PHA's MTW policies and procedures.

APPROVAL AND IMPLEMENTATION

- Restriction on Elective Moves
 - Approved FY 2008
 - Implemented FY 2008
- Criteria for Portability Moves
 - Approved FY 2013
 - Implemented FY 2013
- Development of Local Forms
 - Approved FY 2017
 - Implemented FY 2017

HARDSHIP

Not applicable. This is not a rent reform activity.

IMPACT

Restriction on Elective Moves: During FY 2017, 1,931 families moved to a new HCV unit.

Criteria for Portability Moves: During FY 2017, PHA received 87 port out requests of which 82 were approved. Five requests were denied. The reasons for approval include:

- 6 based on education
- 29 based on employment
- 31 based on medical or disability
- 16 based on safety

CHANGES TO METRICS

No changes were made to the baseline or benchmarks listed in the FY 2017 Annual Plan.

<i>CE #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Restriction on Elective Moves: Total cost of task in dollars (decrease).	\$25,259	\$32,912	\$37,775	No
Criteria for Portability Moves: Total cost of task in dollars (decrease).	\$8,451	\$4,132	\$5,196	No
<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Restriction on Elective Moves: Total time to complete the task in staff hours (decrease).	1,614 hours (based on 1,291 moves in FY 14)	2,103 hours	2,414 hours	No
Criteria for Portability Moves: Total time to complete the task in staff hours (decrease).	540 hours (based on FY 12 port activity)	264 hours	332 hours	No

MTW ACTIVITY 2016-1: SECOND CHANCE INITIATIVE

DESCRIPTION

PHA utilizes its MTW authority to support implementation of the Second Chance Housing Choice Voucher Pilot Program. The policy permits the provision of 10 tenant-based vouchers for active participants in good standing with two partner agencies – the Eastern District Federal Court Supervision to Aid Reentry (STAR) Program and the Mayor’s Office of Reintegration Services (RISE) program. The STAR Program works in conjunction with Federal Probation and Parole, to offer returning citizens an opportunity to reduce their parole period by one year through participation in the Re-Entry Program. Each participant signs a contract with their parole officer to transition the oversight of their parole to the two federal Judges that administer the STAR program. The STAR program collaborates with the local RISE program to provide counseling, education, job training and job placement services.

In the 2017 Annual Plan, PHA indicated that placements in public housing units may be offered to Second Chance participants in good standing at PHA’s option.

Housing assistance is available to the participants for a period of up to two years, at which point the objective is for participants to transition off the program to other affordable housing. However, PHA may allow Second Chance participants to transition to the HCV or public housing program to continue their tenancy.

In FY 2017, PHA entered into a new partnership with the Pennsylvania First Judicial Court’s MENTOR program. This pilot initiative will allow 20 qualified returning citizens who are working with the MENTOR program to move in with existing PHA households, provided that the PHA household is in good standing and is willing to add a MENTOR program participant to the lease. This will help to reunite families, prevent homelessness and, hopefully, interrupt the cycle of recidivism.

APPROVAL AND IMPLEMENTATION

- Approved FY 2016
- Implemented FY 2016

HARDSHIP

Not applicable.

IMPACT

As of March 31, 2017, PHA enrolled and leased 10 participants in the Second Chance program. Of the 10 Second Chance participants, 8 are working and the other two are receiving disability benefits. The average annual income of Second Chance participants is \$17,732. For those employed, average income is \$19,009.

PHA’s first participant found housing in a new neighborhood near his place of employment in May 2015. At that time, he was earning \$20,800 a year working in landscaping and construction. With support from STAR and RISE, and with the stability afforded to him by PHA’s Second Chance voucher, he has gone on to become a licensed plumber’s apprentice, more than doubling his income to \$56,830. He is now at the point where he can afford his apartment without PHA’s assistance and will be leaving the Second Chance program in May 2017, freeing up a voucher for another new Second Chance participant.

CHANGES TO METRICS

The baseline and benchmark for SS #7: Increase in Agency Rental Revenue were updated as the first full year of implementation has been completed.

CE #4: Increase in Resources Leveraged				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase).	\$0	Up to \$10,000	\$3,080	Yes
HC #5: Increase in Resident Mobility				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0	10	10	Yes
SS #1: Increase in Household Income				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	\$18,200 average earned income of participants	\$18,200	\$19,009	Yes
SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Employed Full-Time*	10 participants	10	8	Yes
	100% of participants	100%	80%	
Enrolled in a Job Training Program	0 participants	5	10	Yes
	0% of participants	50%	100%	
Enrolled in an Education Program	0 participants	5	10	Yes
	0% of participants	50%	100%	
*Two participants are disabled and not able to work.				
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	0	0	0	Yes
SS #5: Households Assisted by Services that Increase Self-Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	0	10	10	Yes
SS #6: Reducing Per Unit Subsidy Costs for Participating Households				

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	\$430 upon implementation (2 participants)	\$439	\$559	No
SS #7: Increase in Agency Rental Revenue*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	\$439	\$440	\$326.50	No
<i>*PHA does not have any rental revenue as all participants are in the HCV program. Total Tenant Payment is the metric.</i>				
SS #8: Households Transitioned to Self Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	0	0	0	Yes
<i>*For this program purpose, PHA defines "self-sufficiency" as successfully completing the program and transitioning to other affordable housing.</i>				

B. Activities Not Yet Implemented

MTW Activity 2014-1: Flexible Subsidy Initiative

Description/Update: The Flexible Subsidy Initiative provides PHA with the flexibility, subject to HUD approval, to establish operating subsidy levels for newly constructed public housing units which blend MTW Block Grant funds (HAP and Operating Fund). This activity was approved by HUD in FY2014. PHA has not utilized this flexibility to date; however, it may be utilized, subject to HUD approval, in future transactions.

C. Activities on Hold

Not applicable.

D. Closed Out Activities

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

Activity	Plan Year	Close Out Year	Reason for Close Out
Assisted Living	FY 2009	FY 2011	PHA discontinued this activity prior to its implementation based on a determination that sufficient funding was not available from state, federal and other required sources.
Home Care Services	FY 2009	FY 2011	PHA discontinued this activity prior to its implementation based on a determination that services can be more efficiently delivered through third-party partners.
Scattered Site Income Tiering	FY 2011	FY 2011	PHA elected to discontinue this initiative prior to its implementation based on decisions made as part of the scattered site asset repositioning initiative including disposition and auction of vacant and obsolete properties.
HCV Time Limit	FY 2004	FY 2012	PHA discontinued this activity due to economic conditions which limited the availability of jobs for residents.
HCV HQS Enforcement	FY 2004	FY 2012	PHA elected to discontinue this policy based on a decision to establish uniform HQS enforcement policies for both MTW and Non-MTW vouchers.
Public Housing Service Order Policy	FY 2004	FY 2012	PHA elected to discontinue this policy after discussions with the HUD Field Office concerning the need to expedite service order response times.
Tenant Responsibility Training	FY 2004	FY 2013	Determination made that activity does not require MTW flexibility.
Blueprint	FY 2004	FY 2013	PHA continues to implement the Blueprint

			Program; however, a determination was made that activity does not require MTW flexibility.
Transitional Housing Facilities	FY 2007	FY 2013	Determination made that comparable activities are authorized under Partnership Initiative.
LIFE Program	FY 2007	FY 2013	Determination made that activity does not require MTW flexibility.
Community Service Policy	FY 2011	FY 2013	Determination made that activity does not require MTW flexibility.
Expanding Use of LIHTC	FY 2011	FY 2013	Determination made that proposed activities were covered under Partnership and Unit-Based Leasing/Development Initiatives.
Family Economic Development Action Plan/Tenant Responsibility Training	FY 2004	FY 2014	PHA discontinued this activity along with discontinuation of HCV time limit as they were interrelated activities. No additional statutory exceptions outside of the current MTW flexibilities were considered.
Comprehensive Resident Self Sufficiency Services	FY 2005	FY 2014	PHA continues to provide comprehensive resident self-sufficiency services that utilize MTW Block Grant funds. However, no MTW programmatic waivers are required. These activities are now referenced in Chapter V under the Single Fund Flexibility section.
90 Day Voucher Reissuance Policy	FY 2005	FY 2014	PHA elected to discontinue this policy based on an assessment that it would not contribute to PHA's utilization goals.
Accessible Unit Retrofitting and Development	FY 2010	FY 2014	PHA has completed the accessible unit retrofitting under Attachment E of the MTW Agreement. PHA will continue to develop accessible units as part of its revitalization programs; however, this activity does not require specific MTW authority.
Moving to Work Family Agreement Addendum	FY 2004	FY 2016	PHA elected not to utilize this Agreement and instead provides a Family Responsibilities form to each household at each regular recertification.
\$20 minimum threshold for utility allowance reimbursements	FY 2009	FY 2016	PHA elected not to establish a minimum threshold of \$20 for payment of utility allowance payments.
Adult Day Care	FY 2011	FY 2017	PHA transitioned the program to a qualified third party provider, and does not provide MTW funding or utilize MTW waivers to support the activity.

V. Sources and Uses of Funds

A. Sources and Uses of MTW Funds

PHA submits all required FY 2017 annual financial information in the prescribed format through HUD's Financial Assessment System.

Activities Using Only Single Fund Flexibility

In FY 2017, PHA used its MTW single fund flexibility as follows:

- Capital Activity funds in the amount of \$10,028,875 were utilized to support various capital and development projects.
- Family Program funds in the amount of \$5,456,317 were utilized to support a wide range of public safety, program compliance, and training and education efforts for PHA residents including: youth development programs, senior programs, Pre-Apprenticeship Program, Homeownership Program, Community Relations police units, Community Partners training and educational programs, related staffing costs, and other Economic Development and Self-Sufficiency program activities.
- Management Improvement funds in the amount of \$2,447,442 were utilized to support: functional enhancements and training on PHA's Customer Relationship Management software systems; functional enhancements, training, and program support for Financial Management systems; Data Warehousing initiative; Energy Management initiatives; GPS monitoring program; and other business process improvements and staff training initiatives.
- Quality of Life funds in the amount of \$0.

Table 18 includes a summary of PHA's MTW and Non-MTW funded resident services along with the participation levels in FY 2017.

Table 18: Residents Service Program Summary for FY 2017

Program	Program Description	Target Population	Funding Source	Number of Residents Served
Early Childhood Education Partnerships	Pre-School Partnerships to ensure 3 year olds are enrolled into area Head Start programs	Children 3 to 5	US Department of Health and Human Services	50
Summer Food	Breakfast and lunch served on site to provide appropriate nutrition during the summer.	Youth 5 to 18	PA Department of Education/ MTW	68,900 meals provided
Summer Camp	Summer enrichment activities to prevent academic regression.	Youth Ages 6 to 13	MTW	320
Afterschool	On site programs which	Youth Ages 6 to	MTW	260

Program	Program Description	Target Population	Funding Source	Number of Residents Served
	meet the standard of providing (1) homework assistance, (2) project based learning, (3) community service, and (4) physical/body kinesthetic activities	13		
Computer Lab	Access to computer technology for academic enrichment.	Residents 6 to 70	MTW	410
PhillySEEDS Scholarship	Competitive scholarship awards based on academic achievement.	Youth/Adults 18 to 55	Section 3 Vendors	62
Scholars Internship Program (SIP)	Paid internships in the major field of study of PHA's scholarship awardees.	Youth/Adults 18 to 55, who have received scholarships from PhillySeeds.	Section 3 Vendors	30
ABE/GED	Adult Basic Education and General Equivalency Diploma education in the required domains.	Residents 18 to 55	MTW	138 residents
Community Partners	Occupational Skills training in career areas with reasonable growth potential.	Residents 18 to 55	MTW	95 enrolled
Health & Wellness Programs	With Every Heartbeat There is Life, with a tobacco component to improve nutrition, exercise	Residents 18 to 55	MTW	215 enrolled
Financial Literacy	Course on credit and money management to enable residents to purchase homes.	Residents 18 to 55	MTW	457 enrolled
Home Ownership	Housing counseling about the home purchase process. This includes 5H, HCV, and Section 32.	Residents 18 to 55	MTW	45 purchase homes
FSS	Assessment of individual and family needs, followed by referrals and tracking.	Residents 18 to 55	HUD	276 assessments completed 272 Referred
Senior CTR/Programs	Evidence based activities, which reduce the number of seniors, who leave public housing to enter nursing homes.	Residents 55 and over	Philadelphia Corporation for Aging	300
CHSP	Meal program to support appropriate nutrition and promote best practice fellowship to support aging in place.	Residents 55 and over	HUD	13
Section 3	Ensure that economic opportunities, are provided to PHA residents	Residents 18 to 55	Vendors that meet the Section 3 threshold	419 residents hired
Adult Day/Elder Care	Multi-service center for residents, who cannot	Residents 55 and over	Commonwealth of PA/MTW	35

Program	Program Description	Target Population	Funding Source	Number of Residents Served
	complete activities of daily living.			
Connect Home	Bridging digital divide and providing internet access and equipment	Residents 6 to 70	MTW	344
Smoke Free Housing	Provide smoke free cessation programs, including educational awareness workshops and other smoking cessation resources to help residents quit smoking	All	MTW/Philadelphia Department of Public Health/American Heart Association/Nursing Consortium	500 attendees

B. Local Asset Management Plan

Has PHA allocated cost within statute during the FY 2015 plan year?

No

Has PHA implemented a local asset management plan (LAMP)?

Yes

Has PHA provided a LAMP in the appendix?

Yes

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

C. Commitment of Unspent Funds

HUD has indicated that MTW agencies are not required to provide information in this section of the Annual Report until subsequent guidance and clarification is provided by HUD. For informational purposes, Table 19 provides a summary of PHA's commitments for use of existing unspent and future MTW and other available funds. This chart provides current cost estimates for Board authorized development projects. Estimates are preliminary and subject to change.

Table 19: Committed Projects Listing

Site	Planned Expenditure	Committed Funds (Estimate)
Strawberry Mansion	Development of 55 rental units (Under Const.)	\$21,407,022
Blumberg Senior Tower	Rehab of 96 existing rental units (In Design)	\$30,000,000
Blumberg Street Construction	New street development	\$9,334,134
Blumberg Acquisition	Condemnation/acquisition of off-site parcels	\$25,000,000
Blumberg Phase 3	Development of 83 rental units	\$26,500,000
Blumberg School Acquisition	Acquisition & rehab of Reynolds School	\$12,000,000
Blumberg Future Phases	Multi-phase development of 1000 rental units	\$400,000,000
Norris	Multi-phase development of 297 rental units	\$123,247,825

Site	Planned Expenditure	Committed Funds (Estimate)
Scattered Sites	Multi-Phase Force Account development of 300 rental units (Under Const.)	\$20,000,000
Lucien E. Blackwell	Community Center construction (Under Const.)	\$6,300,000
Administrative	Office consolidation	\$45,000,000
Mantua Promise Zone	Development of 89 units	\$30,990,852
Vaux School	Rehab for re-use of school	\$17,000,000
Walton School	45 senior units	\$16,000,000
Reynolds School	Development of 63 rental units w/ HELP USA	\$7,000,000
Roberto Clemente	Development of 37 rental units – RAD transfer of assistance	\$1,200,000
Blumberg	Neighborhood supermarket (CNI Transformation Plan)	\$7,000,000
Blumberg	Ridge Avenue commercial corridor (CNI Transformation Plan)	\$10,000,000
	TOTAL	\$807,979,833

VI. Administrative

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

The table below includes general descriptions and statuses of HUD reviews and audits for which PHA was required to take action to address deficiencies and/or recommendations.

Review	Summary Description	Status
Independent Audit FY 2016	Independent audit comprising of financial and single audit.	Closed
HUD - Prevailing Wage Compliance Review	HUD review of PHA's compliance with prevailing wage requirements, including Davis-Bacon and HUD-Maintenance requirements. HUD reviewed eight (8) contract files as well as a listing of PHA Maintenance employees and their respective wages and fringe benefits. Additionally, HUD reviewed a sample of service orders for time & labor allocations.	Closed

REAC Inspections – The status of REAC inspections and scores are shown below.

PHA Site Name	Year Last Inspection	Year Last Insp. Score	2017 Score or Upcoming Inspection Date
Germantown/Hunting Park	2016	57	43
Martin Luther King - Phase I	2014	95	70
Martin Luther King - Phase III	2016	78	73
Greater Grays Ferry Estates II	2016	79	75
Martin Luther King IV	2014	94	75
Richard Allen III	2015	85	80
Lucien E. Blackwell I	2016	72	81
St. Anthony's Senior Residence	2014	90	82
Haverford Homes	2014	98	86
Mantua	2016	67	5/15/17
8 Diamonds	2016	78	5/17/17
Abbottsford Homes	2016	60	5/18/17
Greater Grays Ferry Estates I	2015	81	5/18/17
Kingsessing	2015	81	5/22/17
Arlene Homes	2014	95	5/22/17
Angela Court I (St. Ignatius)	2014	99	5/23/17
Parkview Apartments	2014	97	5/25/17
Haddington	2016	60	5/30/17
Susquehanna	2016	71	6/5/17
Ludlow Phase III	2015	82	6/6/17
West Park Apartments	2014	94	6/8/17
Fairhill Square	2016	61	6/12/17
Lucien E. Blackwell II	2014	93	6/13/17
Warnock II	2014	91	6/14/17
Morton Homes	2015	87	6/15/17

PHA Site Name	Year Last Inspection	Year Last Insp. Score	2017 Score or Upcoming Inspection Date
Mantua I	2014	99	6/20/17
Marshal Shepard	2016	71	6/21/17
Haddington Homes	2014	92	6/22/17
Ludlow	2016	72	6/26/17
Queen Lane LP	N/A	N/A	6/27/17
Spring Garden II	2014	93	6/28/17
Champlost Homes	2014	96	6/29/17
Francisville	2016	65	7/5/17
Oxford Jefferson	2016	58	7/10/17
Bentley Hall	2014	96	7/10/17
Emlen Arms	2014	99	7/11/17
Queen Row	2016	64	7/12/17
Cassie L Holley	2014	99	7/13/17
Strawberry Mansion	2016	65	7/17/17
Norris Apartments	2016	51	7/18/17
Queen Lane Apartments	2015	89	7/21/17
Holmecrest Homes	2014	90	7/24/17
Richard Allen	2015	87	7/25/17
Harrison Plaza	2016	54	7/27/17
Johnson Homes	2016	60	7/31/17
College View	2016	72	8/2/17
Arch Homes	2015	80	8/3/17
Fairhill Apartments	2014	97	8/4/17
New Courtland Apartments	2016	78	8/7/17
Plymouth Hall	2015	80	8/7/17
Katie B Jackson	2014	94	8/8/17
Westpark Plaza	2014	98	8/10/17
Mount Olivet	2016	43	TBD
Cecil B Moore	2014	96	TBD
Cambridge Plaza III	2014	98	TBD
Suffolk Manor	2014	98	TBD
Cambridge Plaza II	2014	97	TBD
Neumann North	2014	97	TBD
Gladys B Jacobs	2014	92	TBD
Angela Court II	2014	95	TBD
Impact Services Veterans Family Housing	N/A	N/A	TBD
St. Francis Villa	N/A	N/A	TBD

PHA has instituted a policy whereby 100% of all deficiencies noted during REAC inspections, routine or otherwise, are tracked by way of creating a service order in the Customer Relationship Management system. Once created, these service orders can then be accessed and updated until work is complete. Addressing actual maintenance, the entire agency has placed a stronger emphasis on the creation of service orders to immediately address deficiencies, both inside and outside of units, found during annual or informal inspections and site visits. PHA believes that these measures will continue to have a positive impact on future REAC scores.

B. Evaluations

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

C. Certification of MTW Statutory Requirements

PHA certifies that, in Fiscal Year 2017, it continued to meet the three statutory objectives of the MTW program. The Board resolution containing the certification required by HUD is included as an Appendix.

VII. Appendices

A. Replacement Housing Factor Funds Appendix

REPLACEMENT HOUSING FACTOR FUNDS

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

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

- RHF funds were included in the Sources and Uses tables of the FY 17 Annual Plan.
- PHA intends to combine its existing and future RHF funds into the MTW Block Grant.
- PHA intends to accumulate RHF funds as allowed under the RHF Amendment, Option 3.
- PHA will secure the commitments for the required one-third leverage of its 2nd Increment RHF funds prior to developing the public or affordable housing under the proportionality requirements of the RHF Amendment, Option 3.

PHA will develop the number of affordable and/or public housing units required in accordance with the proportionality test under the RHF Amendment, Option 3

- The table below includes RHF Grant Numbers and estimated grant balance amounts that PHA intends to combine into the MTW Block Grant. Estimates are as of 3/31/17.

Fiscal Year	Grant Number	Estimated Balance as of 3/31/17
2016	PA26P002501-16	\$ 2,622,235
2016	PA26P002502-16	\$ 978,561
2015	PA26P002501-15	\$ 3,192,399
2015	PA26P002502-15	\$ 2,969,371
2014	PA26R002501-14	\$ 3,961,127
2014	PA26R002502-14	\$ 5,307,496
2013	PA26R002501-13	\$ 991,633
2013	PA26R002502-13	\$ 87,324
2012	PA26R002501-12	\$ 268,616
2012	PA26R002502-12	\$ 119,374

B. Limited English Proficiency Policy Information

Limited English Proficiency Policy Information

PHA's Board-approved Limited English Proficiency Policy (LEP) commits the agency to taking "...all reasonable steps to ensure that PHA's programs, services, and activities are accessible to persons with Limited English Proficiency. This is consistent with PHA's goal to provide equal housing opportunities for all qualified applicants and residents and its commitment to allowing no discrimination on the basis of national origin, in PHA's selection of families and provision of services.

PHA has designated an LEP Coordinator, and has posted its LEP Policy on the PHA website at this link: http://www.pha.phila.gov/media/164231/lep_policy_4_1_13.pdf

PHA's website incorporates the Google Translate feature which allows users to translate any web page into an extensive menu of available languages. Also, as part of its commitment to promoting open access to PHA programs and services, PHA provides translations of other documents, telephone translations and in-person translation services. Below is information on telephone and in-person translation services utilized in FY2017.

Telephone Translation Services Provided in FY 2017

Language	Number of Calls	Minutes
Spanish	611	3649
Russian	30	449
Korean	4	36
Romanian	2	24
Indonesian	2	21
Mandarin	2	20
Arabic	2	12
Vietnamese	2	8
Haitian Creole	1	4
Total	656	4223

In Person Translation Services Provided in FY 2017

Language	Requested	Serviced	Cancelled
Spanish	3	2	0
American Sign Language	6	1	0
Mandarin	1	1	0
Russian	2	2	0
Cantonese	1	1	0
Total	13	7	6

PHA documents are translated on an ongoing basis in response to the needs and/or specific requests of applicants, HCV participants, public housing residents, vendors and the general public. Below is a partial listing of documents which PHA has translated into Spanish, which is the primary language spoken by non-English speakers that are served by PHA programs. PHA has also translated the public housing lease, lease addenda and related notices along with various other materials into Russian and Mandarin.

Forms and Notices

1. Waitlist Interview Invite
2. Annual Recertification Interview
3. Public Housing Lease
4. Notice Intent to Vacate
5. Approval for Rent Credit
6. Community Service Acknowledgment
7. Community Service Activity Log
8. Daily Trip Sheet
9. Debts Owed to HUD
10. Deprogramming Unit
11. Dwelling Lease Rider
12. Lead Disclosure
13. Electronic Eviction
14. Emergency Public Safety Transfer
15. Family Composition Change Form
16. File Notification Sheet
17. Fire Catastrophic Loss Report
18. Grievance Hearing Request
19. Household Members No Longer Residing
20. Income Verification
21. Inspection Checklist
22. Intent to Vacate
23. Lead Based Paint Notification
24. Lead Hazards
25. Lead Poisoning
26. Live in Aid Agreement
27. Min Rent Hardship
28. MTW App – Continued Occupancy
29. Notice of Trespassing
30. Personal Accident Injury Report
31. Pet Agreement
32. Pet Free Receipt
33. Pet Registration
34. Police Record Check
35. PPD Drug Info Report
36. Property Damage Report
37. Reexamination Checklist
38. Rent Hardship
39. Rent Increase
40. Req for Additional Information
41. Smoke Detection – CO Battery Acknowledgement
42. Things You Should Know
43. Uniform Physical Condition Standard
44. UPS –PM Inspection
45. VAWA Notice
46. File Organization
47. 1st Recert Interview Invitation
48. Acceptance and Refusal Form
49. Community Service Non Compliant
50. CSSR Verification Form
51. Full Time Student Verification
52. HUD 9886
53. Landlord and Lease Verification
54. Notice of Lease Termination

55. 1018 Release Form
56. PHA Lease
57. PHA Recert Reschedule
58. Notice of Rent Adjustment
59. Declaration Citizenship
60. Rent Reminder
61. Accommodation Requests
62. Addendum Disabled
63. Addendum Nondisabled
64. Acceptance of Utilities
65. General Admissions
66. Application Fact Sheet
67. Circumstances Affecting Eligibility
68. Screening Questionnaire
69. Supplemental HUD Contact Form
70. Unit Assignment
71. Verification of Child Support
72. Verifications of Disability Insurance
73. Verification of Employment Income
74. Verification of VA Benefits

Blumberg Redevelopment

1. General Information Notice
2. 90 Day Notice of Permanent Relocation
3. Sharswood Blumberg Neighborhood Outreach Flyer
4. Sharswood Blumberg Job Fair Flyer
5. Blumberg Relocation FAQs
6. Blumberg Relocation Questionnaire

Grievance Policy

1. Final Grievance Policy

Scholarship Program

1. Philly Seeds Scholarship Application

Vendor Outreach

1. Doing Business with PHA PowerPoint

C. Local Asset Management Plan

Local Asset Management Plan

Introduction

Pursuant to the First Amendment to the Moving to Work Agreement, in Fiscal Year 2010 the Philadelphia Housing Authority (PHA) implemented a local asset management plan for its Public Housing Program as described herein. In the implementation of the plan, PHA will continue to adopt cost accounting and financial reporting methods that comply with HUD and federal regulations and generally accepted accounting practices.

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

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

In the implementation of these project level management activities, other PHA departments including Community Operations & Resident Development, Public Safety, Maintenance, Development, ISM, Finance and Budget, support PHA Asset Managers. Asset Managers are routinely provided with on-line detailed and summary management reports on budget status and all key performance indicators to facilitate their monitoring and oversight of property level activities. PHA also conducts thorough review of key performance indicators at the individual site and system-wide levels.

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

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

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

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

A description of the cost allocation plan and other technical components of PHA's local asset management plan follow.

I. AMP Definitions

An AMP will include any site that receives Operating Subsidies through HUD's Operating Fund Calculation. PHA currently two types of PHA managed AMPs and PAPMC/AME managed AMPs.

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

PHA has distributed balance sheet accounts by AMPs as planned in the original Local Asset Management Plan. Balance sheet accounts were analyzed and distributed to/between the AMPs and the Indirect Cost Departments.

A. Cash & Investments

PHA maintains consolidated physical bank accounts, but for financial statement and general ledger presentation cash is distributed between all PHA AMPs and the Indirect Cost Departments. Direct cash and expenses are charged to the proper AMPs or Indirect Cost Departments general ledger account. At

the end of the year, cash is adjusted to offset indirect cost allocations between the AMPs and the Indirect Cost Departments. The offsetting of the indirect cost allocations effectively adjusts the inter fund balances to zero except where the AMPs have a negative cash balance which is presented as an inter fund to the Indirect Cost Departments. The remaining cash and investment balances are presented with the Indirect Cost Departments and reported in the MTW Column of the FDS.

Investment income will be allocated between the PHA Managed AMPs based on the number of units eligible for subsidy from the most recent HUD approved Operating Fund Calculation.

B. Tenant Accounts Receivable and Allowance for Doubtful Accounts

Tenant accounts receivable balances and allowance for doubtful accounts are reported on an AMP basis for each of the PHA Managed AMPs. The ending balances are reconciled to the tenant supporting detail ledgers,

PAPMC/AME Managed AMPs tenant balances are not reported as AMPs in the FDS. Based on PHA's analysis of GASB pronouncements, these AMPs are presented as discrete component. Tenant accounts receivable and allowance for doubtful accounts are included in the PHA Audited financial statements as a discretely presented component unit.

C. Other Accounts Receivable

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

D. PHASI/Worker's Compensation Cash and Liabilities

The PHASI and Worker's Compensation cash and liabilities will remain with the Indirect Cost Departments and reported in the MTW column of the FDS. At this time, PHA has determined that these liabilities are PHA Agency Wide liabilities and not liabilities of the PHA Managed AMPs or the Indirect Cost Departments. The expenses related to the PHASI liability and worker's compensation liability are charged to appropriate programs or AMPs. PHA has created a cash reserve for the PHASI liability. The cash reserve offsets PHA's liabilities so that the liability is fully funded. PHA utilizes the reserves to pay the liability as needed. PHA has a cash reserve that is held by the Worker's Compensation insurer.

E. Prepaid Insurance

The prepaid insurance balances for the PHA Managed AMPs will be distributed to/ between AMPs based on the number of units eligible for subsidy from the most recent HUD approved Operating Fund Calculation.

PAPMC/AME Managed AMPs will not be included in the AMPs Columns of the FDS. Prepaid insurance is included in the PHA Audited financial statements as a discretely presented component unit.

F. Materials Inventory and Allowance for Obsolete Inventory

PHA currently maintains all maintenance materials inventory centrally. AMPs and departments submit requests for inventory and materials are issued then expenses are charged to the appropriate AMP or program. Ending centralized materials inventory and allowance balances for the PHA Managed AMPs

will be distributed to/between AMPs based on the number of units eligible for subsidy from the most recent HUD approved Operating Fund Calculation.

PAPMC/AME Managed AMPs will not be included in the AMPs Columns of the FDS. Materials inventory is included in the PHA Audited financial statements as a discretely presented component unit.

G. Fixed assets and accumulated depreciation

Fixed assets and accumulated depreciation will be reconciled to the PeopleSoft Asset Module and distributed to the appropriate PHA Managed AMPs and the Indirect Cost Departments. PHA's Asset Module (AM) has been established for many years. AM provides PHA with the ability to prepare fixed asset and depreciation reports by AMP or department. AM tracks all of the fixed assets transactions and records all monthly fixed asset entries. Fixed assets and accumulated depreciation are reported with the appropriate AMP or the MTW Column for assets held by the Indirect Cost Departments.

PAPMC/AME Managed AMPs will not be included in the AMPs Columns of the FDS. Fixed assets and accumulated depreciation are included in the PHA Audited financial statements as a discretely presented component unit.

H. Accounts Payable and Accrued Liabilities

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

I. Payroll Liabilities

All payroll tax and benefits liabilities will continue to be presented with the Indirect Cost Departments and reported in the MTW Column of the FDS. At this time, PHA has determined that these liabilities are PHA Agency Wide liabilities and not liabilities of the PHA Managed AMPs or the Indirect Cost Departments. However, PHA has utilized the LIPH (Fund 001) cash accounts in the past to pay most Agency Wide liabilities, and then the LIPH (Fund 001) will receive reimbursements from other programs where applicable. The expenses related to the payroll liabilities will continue to be charged to appropriate programs or AMPs.

Accrued salaries and wages liability will be distributed to/between AMPs based on the number of units eligible for subsidy from the most recent HUD approved Operating Fund Calculation.

J. Compensated Absences

Compensated absences liabilities will be distributed to between the PHA Managed AMPs based on the number of units eligible for subsidy from the most recent HUD approved Operating Fund Calculation.

No compensated absences liabilities will be distributed to the PAPMC / AME AMPs because PHA does not charge salaries to these AMPs.

K. Net Position

Invested in Capital Assets balances will follow the Net Fixed Assets that are owned by an AMPs or Departments. Invested in capital assets will be distributed between the Indirect Cost Departments and the PHA Managed AMPs based on where the Net Fixed Assets is distributed.

The Public Housing Program Unrestricted Net Position for all AMPs will be zero because PHA will allocate revenue from the MTW Column to cover the difference between revenues and expenses generated by each AMP. The total Unrestricted Net Position of the Public Housing Program will be included with the MTW Column.

PAPMC/AME Managed AMPs will not be included in the AMPs Column of the FDS. Invested in capital assets are included in the PHA Audited financial statements as a discretely presented component unit. PAPMC/AME Managed AMPs will not be included in the AMPs Column of the FDS. Unrestricted net assets are included in the PHA Audited financial statements as a discretely presented component unit.

III. Revenues

A. Tenant Revenues

1. PHA Managed AMPs

Tenant Revenues will be directly charged to the appropriate AMP.

2. PAPMC/AME Managed AMPs

PAPMC/AME Managed AMPs will not be included in the AMPs Column of the FDS. Tenant revenue is included in the PHA Audited financial statements as a discretely presented component unit.

B. Direct Revenues

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

1. PHA Managed AMPs

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

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

2. PAPMC/AME Managed AMPs

PAPMC/AME Managed AMPs will not be included in the AMPs Column of the FDS. Direct revenues are included in the PHA Audited financial statements as a discretely presented component unit.

C. Indirect Revenues

Indirect revenues are other income items that cannot be identified or charged to a specific AMP or to the Indirect Cost Departments. Indirect revenues will be allocated between the PHA Managed AMPs based on the number of units eligible for subsidy from the most recent HUD approved Operating Fund Calculation.

D. HUD Operating Subsidy

For PHA's project based accounting purposes, Operating Subsidy is considered an indirect revenue source. PHA's Operating Subsidy is provided in one block as if PHA were one AMP. The funding for all AMPs is calculated using the same Allowable Expense Level per PHA's MTW agreement. Since the basis of the funding calculation is the same across all AMPs, PHA considers Operating Subsidy an indirect revenue source.

Operating Subsidy will be allocated to all PHA AMPs based on the difference between revenues, prior to operating subsidy, and expenses excluding depreciation expenses. The amount of Operating Subsidy allocated will be based on the individual AMPs need for subsidy so that revenues are equal to expenses.

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

1. PHA Managed AMPs

PHA has included in its MTW annual plan Operating Transfers from the MTW Program and the CFP Program into the Public Housing Program to offset operating expenses. PHA has determined that the appropriate treatment of Operating Transfers at the current time based on the number of units eligible for subsidy from the most recent HUD approved Operating Fund Calculation. PHA will establish separate account numbers for the MTW and CFP Operating Transfers. The Operating Transfers are made to assist the PHA Managed AMPs with its operations. PHA may need to adjust the allocation of the Operating Transfers in fiscal years to assist the operating needs of one AMP over another AMP that may not need the assistance. PHA's MTW agreement with HUD permits the PHA flexibility to move funds between its Public Housing, Section 8 HCV, and CFP programs. PHA will reserve the right to adjust the allocations of the Operating Transfers to meet the financial needs of all of the PHA Managed AMPs.

2. PAPMC / AME Managed AMPs

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

IV. Expenses

A. Direct Expenses

1. PHA Managed AMPs

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

For payroll, PHA directly charges all payroll costs using account labels. Account labels are used to tell PHA's accounting system where to directly charge an employee's payroll costs. PHA can setup as many account labels as needed to have payroll costs charged to the proper program, department, AMP, etc. based on PHA's requirements. PHA's accounting system gives the Authority the automated ability to charge payroll costs from the employee timesheets to the proper account. When employees complete

their weekly timesheets, the employees report all hours to account labels. The timesheets allow employees to charge as many account labels as needed during the week. Employees submit their timesheets to their direct supervisor for approval. The direct supervisor verifies that the correct account label was used.

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

2. PAPMC/AME Managed AMPs

The only PAPMC/AME Managed AMPs direct expenses that will be included in AMPs FDS column are PHA's payment of Operating Subsidies and any other direct expense paid by PHA. All other direct expenses are included in the PHA Audited financial statements as a discretely presented component unit.

B. Corporate Legal

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

1. Direct Legal Expenses

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

2. Indirect Legal Expenses

Indirect legal expenses that cannot be defined as costs for a specific AMP, but can be identified as providing benefits to the PHA Managed AMPs based on the number of units eligible for subsidy from the most recent HUD approved Operating Fund Calculation.

C. Payroll Expenses

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

D. Materials and Contract Costs

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

account structure. PHA's account structure includes the program code (AMP number) and the appropriate department code.

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

E. Indirect Expenses

PHA will be using an allocation to charge overhead from the Indirect Cost Departments (MTW Column) to all AMPs. Overhead costs will be allocated to the AMPs based on the number of units eligible for subsidy from the most recent HUD approved Operating Fund Calculation.

V. Capital Fund Program

All expenditures under the Capital Fund program are charged to the appropriate AMP or Indirect Cost Department. Revenues are applied to the appropriate AMP or Indirect Cost Department based on the actual expenditures. The expenditures related to the Indirect Cost Departments or MTW initiatives are reported in the MTW Column of the FDS.

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

VI. Project Based Budgeting

PHA currently prepares project based operating budgets and operating budgets for all its departments. PHA adds all the budgets to the Automated Accounting System. The operating budgets are currently used in the procurement, accounts payable process and the preparation of monthly financial statements. PHA's operating budget process is currently in compliance with the HUD Project Based Budgeting requirements.

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

D. Board Certification of Compliance with MTW Statutory Objectives