Housing Authority of the City of Pittsburgh

Moving to Work Demonstration Year 12 (FY 2012) Annual Plan

AMENDMENT - Clean
Submitted to HUD September 27, 2012

200 Ross Street, 9th Floor
Pittsburgh, PA 15219

Housing Authority of the City of Pittsburgh

Moving To Work Annual Plan

2012

Section I. Introduction

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Section 1. Introduction

B. Overview of HACP Moving To Work Goals and Objectives

HACP's overarching Moving To Work Goals are as follows:

1. To reposition HACP's housing stock. These efforts are designed to result in housing that it is competitive in the local housing market, is cost-effective to operate, provides a positive environment for residents, and provides both higher quality and broader options for low-income families; and,

2. To promote independence for residents via programs and policies that promote work and self-sufficiency for those able, and promote independent living for the elderly and disabled.

In pursuit of these goals, HACP will continue several Moving To Work Activities initiated in prior years. These initiatives are summarized below, with details available in Section VI.

Proposed New Activity Summary
HACP is not proposing any new activities in this 2012 Annual Plan.

Ongoing Activities Summary
1. Modified Rent Policy for the Section 8 Housing Choice Voucher Program

Building on the modified rent policy developed for the Low Income Public Housing Program and approved in 2008, HACP received approval in 2011 to require that any non-elderly, able-bodied head of household who is not working to either a) participate in a local self-sufficiency (LSS), welfare to work, or other employment preparation and/or training/educational program or b) pay a minimum tenant payment of $150.00 per month. This policy provides additional incentives for families to work or prepare for work and increases overall accountability.

HACP's objectives for this program include increased participation by voucher holders in self-sufficiency, welfare to work and other training and education programs, increased levels of employment and earned income by participants, and potentially reduced Housing Assistance Payment costs to the Authority.

2. Modified Rent Policy for the Low Income Public Housing Program.

As approved in 2008, HACP requires that any non-elderly, able-bodied head of household who is not working to either participate in the Family Self-Sufficiency Program or pay a minimum rent of $150.00 per month. Hardship exemptions are permitted. This policy provides additional incentives for families to work or prepare for work. HACP's objectives for this program include increased participation in the Family Self-Sufficiency Program, increase rent collections, and increased level of families working.

3. Revised recertification requirements policy.

As approved in 2009 and 2010, HACP may operate both the Low Income Public Housing Program and the Housing Choice Voucher Program with a recertification requirement modified to at least once every two years. Changes in income still must be reported, and standard income disregards continue to apply. This policy change reduces administrative burdens on the Authority, thereby reducing costs and increasing efficiency. HACP's objectives for this initiative are reduced staff time and thus reduced costs, and improved compliance with recertification requirements by tenants and the HACP.

4. and 5. Homeownership Program Policies

a. Operation of a combined Low Income Public Housing (LIPH) and Housing Choice Voucher (HCV) Homeownership Program;
b. Homeownership Program assistance to include soft-second mortgage assistance coupled with closing cost assistance, homeownership and credit counseling, and foreclosure prevention only;
c. Expansion of Homeownership Program eligibility to persons on the LIPH and HCV program waiting list;
d. Establishing a Homeownership Soft-second mortgage waiting list.

As approved in 2007, HACP operates a single Homeownership Program open to both Low Income Public Housing and Housing Choice Voucher Program households. This approach reduces administrative costs, expands housing choices for participating households, and provides incentives for families to pursue employment and self-sufficiency through the various benefits offered.

As approved in 2010, HACP's homeownership program includes the availability of soft-second mortgage assistance, which increases affordability and thus housing choice for eligible families while decreasing costs to the HACP and providing an incentive for families to become self-sufficient. As the number of soft-second mortgages may be limited based upon budgeted spending authority, it was necessary to establish a waiting list for soft-second mortgages to ensure fair award of available funds.

Also approved in 2010 was expansion of Homeownership Program eligibility and assistance to persons on the HACP waiting lists for Public Housing and the Housing Choice Voucher program.

HACP's objectives for this program are to maintain or increase the level of participation in homeownership program activities and the number of families achieving homeownership.

6. Energy Performance Contracting

Under HACP's Moving To Work Agreement, HACP may enter into Energy Performance Contracts (EPC) without prior HUD approval. HACP will continue its current EPC, executed in 2008, to reduce costs and improve efficient use of federal funds.

HACP's current EPC included installation of water saving measures across the authority, installation of more energy efficient lighting throughout the authority, and installation of geo-thermal heating and cooling systems at select communities. It was completed in 2010, with final payments made in 2011. Monitoring and Verification work began in 2011, with the first full Monitoring and Verification report expected for the 2012 year. HACP's objectives include realizing substantial energy cost savings.

7. Establishment of a Local Asset Management Program.

In 2004, prior to HUD's adoption of a site based asset management approach to public housing operation and management, HACP embarked on a strategy to transition its centralized management to more decentralized site-based management capable of using an asset management approach. During HACP's implementation, HUD adopted similar policies and requirements for all Housing Authorities. Specific elements of HACP's Local Asset Management Program were approved in 2010, as described in Section VII. HACP will continue to develop and refine its Local Asset Management Program to reduce costs and increase effectiveness.

HACP's objectives for this initiative include increased efficiency of operations, and improved site based budgeting and accounting to more accurately reflect actual costs at the sites.

8. Modified Housing Choice Voucher Program policy on maximum percent of Adjusted Monthly Income permitted.

Originally approved in 2002, HACP's operation of the Housing Choice Voucher Program allows flexibility in the permitted rent burden for new tenancies, or affordability. Specifically, the limit of 40% of Adjusted Monthly Income allowed for the tenant portion of rent is used as a guideline, not a requirement. HACP continues to counsel families on the dangers of becoming overly rent burdened, however, a higher rent burden may be acceptable in some cases. This policy increases housing choice for participating families by giving them the option to take on additional rent burden for units in more costly neighborhoods. HACP's objective for this initiative is to increase housing choices for participating families.

9. Modified Payment Standard Approval.

Originally approved in 2004, HACP is permitted to establish Exception Payment Standards up to 120% of Fair Market Rent (FMR) without prior HUD approval. HACP has utilized this authority to establish Area Exception Payment Standards and to allow Exception Payment Standard as a Reasonable Accommodation for a person with disabilities. Allowing the Authority to conduct its own analysis and establish Exception Payment Standards reduces administrative burdens on both the HACP and HUD (as no HUD approval is required) while expanding housing choices for participating families.

HACP does not currently have any Area Exception Payment Standards, and does not anticipate establishing any such areas in 2012, but may do so in future years.

HACP will continue to allow an Exception Payment Standard of up to 120% of FMR as a reasonable accommodation for persons with disabilities.

HACP's objective for this initiative is to expand housing choices for eligible families.

10. Use of Block Grant Funding Authority to support:

   a. Development and Redevelopment

b. Enhanced and Expanded Family Self-sufficiency and related programming.
c. Homeownership Program

Originally approved with the initial Moving To Work Program and expanded to include homeownership and resident service programs in subsequent years, HACP continues to use Moving To Work block grant funding to support its Moving To Work Initiatives.

Since entering the Moving To Work Program in 2000, HACP has instituted a number of Moving To Work initiatives that in 2011 no longer require specific Moving To Work Authority. Some of those initiatives are:

1. Establishment of Site Based Waiting Lists.
2. Establishment of a variety of local waiting list preferences, including a working/elderly/disabled preference and a special working preference for scattered site units.
3. Modified Rent Reasonableness Process
4. Transition to Site Based Management and Asset Management, including Site Based Budgeting and Accounting.

II. GENERAL HOUSING AUTHORITY OPERATING INFORMATION

A. HOUSING STOCK INFORMATION

Number of Public Housing Units:
HACP had 4811 units in inventory on January 1, 2011. HACP projects to have 4257 units in inventory on December 31, 2012. (See Table IIA-1 and IIB-1).

Planned Significant Capital Expenditures:
In 2012, HACP plans include significant capital expenditures at:

- Garfield Commons to construct final phase 4 of the redevelopment plan. HACP anticipates expending $8 million obligated in 2011 towards this project in 2012.
- Approximately $3.2 million will be obligated in 2012, in addition to the nearly $2 million obligated in 2011, and approximately $.25 million will be expended for additional improvements at Northview Heights including electrical upgrades, additional roof replacements, and elevator upgrades.
- Approximately $20 million will be obligated in addition to $1.2 million obligated in 2011, and approximately $8 million will be expended in 2012 for initial demolition, site preparation and infrastructure, and other redevelopment activities (including acquisition of additional sites) for Addison Terrace.
- Approximately $200,000 of MTW funding is budgeted in 2012 and is expected to be expended related to redevelopment of the Auburn/Hamilton-Larimer Site and the Larimer/East Liberty Choice Neighborhoods Initiative Planning activities. Funding from a Choice Neighborhoods Planning Grant award would be in addition to these funds.
- Approximately $300,000 will be obligated in 2012, in addition to $900,000 obligated in 2011, and approximately $1.2 million expended for plumbing replacements and relocations at Carrick Regency.
- Approximately $400,000 will be obligated and $400,000 expended for rehabilitation of scattered site units.
- See Section IV and Section VII for additional information on HACP's capital expenditure plans.
- HACP has submitted to HUD a request to revise the demolition application for the Kelly Street High Rise, as indicated in prior year plans, removing the originally planned replacement building. HACP's construction of other new senior housing facilities and subsequent market studies have indicated a saturation in the senior housing market in this area. HACP consulted with former residents of Kelly Street, and offered an additional relocation option for those who had not previously selected a permanent relocation, prior to the submission of the revision request.

New Public Housing Units To Be Added:
During 2011, the HACP constructed 22 LIPH units in Garfield Commons Phase III (plus 20 non-LIPH units), and 45 units (plus 41 market rate units) in Oak Hill Phase II and added 4 units to Scattered Sites via turn-key acquisition of new construction (See Table IIA-2.). If sales of Bedford HOPE VI Homeownership Program Stage 2 and Stage 3 homes reach pre-determined levels, construction of Stage 4 homes will begin.

During 2012 HACP will add a total of 26 new LIPH units at Garfield Commons Phase IV (plus 14 tax credit and 10 market rate units).

Public Housing Units To Be Removed:
HACP plans to remove 554 units from inventory during 2012 – including units originally planned to be removed in 2011 but delayed (See Table IIA-5). This includes:

- Building #020012 at Homewood North (8 units). Structural issues in the foundation of this building would be excessively costly to address. The building is currently vacant and HACP has submitted a demolition application. The location will become community green space.
- Buildings 33-37 at Northview Heights containing 37 units are planned to be demolished to continue to 'right size' this property, reduce density, improve manageability, and achieve full occupancy. The units are largely vacant, and demolition application has been submitted. The location will become community green space.
- Disposition of 64 remaining units at Broadhead Manor. 48 of 64 units were flood damaged and vacated in 2006, and all units have been vacant since 2008. Costs to rebuild or renovate the community were estimated to be excessive, with continued risk of flooding at the site. Thirty three scattered site units were purchased in 2007 and 2008 as replacement units for the units lost at this community. HACP is continuing in attempts to finalize a negotiated sale to the Urban Redevelopment Authority for re-use of the property for commercial development. Completing this negotiation is necessary so terms and price can be submitted to finalize the disposition application.
- Demolition of 445 units in the Elmore Square area of Addison Terrace. Demolition may begin in 2011, and 198 of those units were planned to be demolished in 2011. However, delays in demolition approval have delayed relocation and demolition activities. Demolition of 445 units will be completed in 2012. New construction will begin as soon as plans are finalized and financing is secured. The current schedule projects completion of Phase One, including 16 UFAS units, by December 2013.

    For the 445 units to be demolished in 2012, HACP chooses to retain the Unit Months Available funding, and will not request Section 8 replacement vouchers or transition funding. HACP will continue to meet the requirements of the Moving To Work Agreement by continuing to serve substantially the same total number of eligible low-income families as would have been served absent the demonstration.
- Consolidation of one unit at Pressley Street High Rise to create an additional UFAS unit. HACP plans to combine two efficiency units into a one-bedroom UFAS unit at the Pressley Street High rise, resulting in the loss of one unit from inventory. (Note: This unit loss is not reflected in the charts of this Annual Plan, as actual consolidation and removal of the unit will not occur until 2013).

Other Disposition Actions:
HACP will dispose of several properties considered to be excess properties that are no longer needed for public housing or other authority purposes. Those properties are as follows:

- A building and land known as Hyman Place and formerly known as 373 1/2 Burrows Street. Allegheny County Parcel ID: 11-C-125. This property is on a part of the former Allequippa Terrace Site, adjacent to the new Oak Hill mixed finance development. It once housed the HACP Police Department and has been subsequently utilized for childcare and storage. We propose to disposition the property via long-term ground lease or outright sale.

- The following properties in the Hill District:

Address	Map#	Block#	Lot#	Note
Cassatt St	9	M	112	To City of Pittsburgh for Cliffside Park
Cassatt St	9	M	114	To City of Pittsburgh for Cliffside Park
1803 Cliff St	9	M	122	To City of Pittsburgh for Cliffside Park
1805 Cliff St	9	M	123	To City of Pittsburgh for Cliffside Park
130 Devilliers St	10	N	73	

These properties were acquired as potential sites for Bedford Hope VI mixed finance development and homeownership units, but were not utilized for that or any other purpose. Most of these sites were acquired for the cost of the transaction from the City of Pittsburgh. Four of the sites as indicated above will be sold back to the City for a similar cost. The other site will be sold at Fair Market Value.

- Formal disposition applications will be submitted to the Special Applications Center for review and approval prior to any disposition action.

<u>Number of Housing Choice Vouchers Authorized:</u>
HACP has authorization for 6757 Moving To Work Vouchers and 316 non-Moving To Work Vouchers. It is important to note that a) funding levels associated with these authorizations are not adequate to cover the costs of leasing an equal number of units, and b) under the Moving To Work block grant, as in previous years, HACP can utilize voucher funding authorization for other purposes as approved in the Moving To Work Annual Plan. See Sections VI. and VII. for information on the use of this authority.

<u>Housing Choice Vouchers To Be Project Based:</u>
HACP's project base Housing Choice Voucher Program includes the following:

- 48 units at Veterans Place, (2009 and 2010 – all non-MtW vouchers). Veterans Place provides transitional housing and support services to formerly homeless veterans who have completed a Veterans Administration Drug and/or Alcohol treatment program. Because of the income levels and other subsidies available to residents and the property, there are no currently eligible residents of Veteran's place, and thus no subsidy is being provided. HACP projects that actual leasing to families eligible for project based subsidy will be between zero and 5 in 2012. HACP will review the contract and property performance in 2012 to determine if any additional actions are required.

- 18 units at the Legacy, (2009 and 2010). The Legacy is a 108 unit HACP mixed finance senior citizen mid-rise housing facility.
- 20 units at the Hill District YMCA, (all non-MtW vouchers). These vouchers will support a Single Room Occupancy facility currently undergoing renovation at the Hill District YMCA. Financing challenges have delayed some renovations at this facility necessary for units to meet criteria for project based vouchers, so no vouchers are currently in use at this location. HACP will maintain its commitment to support these units should additional financing be secured and necessary renovations completed; however HACP projects that this will not be complete in 2012 and no subsidy will be provided to the project in 2012.
- 4 units at Third East Hills as part of a refinancing and modernization project at this property.
- In 2011, HACP conducted two selection processes for project based voucher proposals. Nine proposals including 290 units were tentatively approved, but none of these proposals had yet resulted in a completed Housing Assistance Payment Contract or a Agreement to Enter Into a Housing Assistance Payment Contract. Proposals which may be finalized in late 2011 or 2012, for up to 278 units, include the following:
    - Herron Senior Living – Hill District – 8 vouchers. The proposed project did not receive a pending Tax Credit award. Thus the PBV award is on hold pending completion of financing, and no subsidy is expected to be paid in 2012.
    - 2700 Center Avenue Senior Housing/AHRCO – 36 vouchers for a combination of existing and renovated units. The contract is expected to be completed in 2012 with two phases. The first phase for existing units, is projected to begin receiving subsidy in early 2012. The second phase for renovated units is projected to begin receiving subsidy in late 2012 or 2013.
    - Center City Apartments/Milliones Manor – 39 vouchers for existing units. This contract is expected to be completed in late 2011.
    - Wood Street Commons – 65 vouchers for existing units in this single room occupancy facility with supportive services. This contract is expected to be completed in early 2012.
    - Shanahan Apartments – 11 units in this building conversion/rehabilitation project. Recently awarded tax credits, an Agreement to Enter Into a Housing Assistance Payment Contract is expected to be executed in 2012. Actual subsidy payments are not projected to begin until 2013.
    - Amani Christian Community Development Corporation – 12 vouchers for new construction in the Hill District. Financing and other planning is not yet complete; an agreement may be completed in 2012; actual subsidy is unlikely to begin until 2013.
    - Hill House Economic Development Corporation – 52 units in Hill District Housing Phase I proposal. Financing and other planning is not yet complete and the total number of units may be modified, but will not exceed 52; an agreement may be completed in 2012, with actual subsidy not likely until 2013.
    - Hill House Economic Development Corporation – 55 units in the Hill District for the Ozanam/Cliff proposal. Financing and other planning is not

yet complete and discussions continue; an agreement may be completed in 2012 with actual subsidy not to occur prior to 2013.An additional 80 units are planned to be project-based through HACP's MTW Initiative for the Step Up To Market Program at HACP's Addison Terrace Redevelopment Phase 1 in the Hill District. Financing and planning are not yet complete. An agreement is expected in 2012, with actual subsidy beginning in 2013. Please see Section VI. 10. a. for additional information on HACP's Step Up To Market Program.

    - HACP may commit additional vouchers, either through an additional competitive process or at its own units for modernization or redevelopment (through the Step Up To Market Program or through traditional Project Based Voucher mechanisms) in order to address distressed properties and/or to support new affordable housing units. Actual subsidy for any new commitments will not begin until 2013.

- Homewood Senior Living Project – 5 vouchers to support an elderly housing development selected through competitive process by the Pittsburgh Urban Redevelopment Authority, and subsequently awarded Low Income Housing Tax Credits by the Pennsylvania Housing Finance Corporation. The project, is to include 40 total units. An Agreement to Enter Into a Housing Assistance Payment Contract is expected to be completed late in 2012 or early in 2013; with actual HAP execution and payment of subsidy not occurring until late 2013 or 2014.
- East Liberty Place Phase II (East Liberty Place South) – 6 vouchers to support a mixed use development selected through competitive process by the Pittsburgh Urban Redevelopment Authority and through competitive process and award of Low Income Housing Tax Credits by the Pennsylvania Housing Finance Corporation. The project is to include 52 mixed income, general occupancy residential units, plus ground floor commercial/retail space. An Agreement to Enter Into a Housing Assistance Payment Contract is expected to be completed late in 2012 or early in 2013; with actual HAP execution and payment of subsidy not occurring until late 2013 or 2014.

Guide to Tables

- Table IIA-1 shows HACP units in inventory on January 1, 2001 (at the start of the MtW demonstration), on January 1, 2011, and projected numbers for January 1, and December 31, 2012.
- Tables IIA-2 and 3 show units to be added in 2011 and 2012, respectively.
- Tables IIA4 and 5 show units to be removed by demolition and/or disposition in 2011 and 2012, respectively.
- Table IIA-6 shows HACP units projected to be in inventory on December 31, 2012.
- Table IIA-7 provides the total authorized MtW and non-MtW Housing Choice Voucher count for HACP in 2011 and 2012. In both years, the total authorized HCV voucher count is 7,073 with 6,757 MtW vouchers and 316 non-MtW vouchers each year.
- Table IIA-8 provides a listing of project-based HCV units by community. A total of HCV 86 units in 3 communities (Veteran's Place, the Legacy Apartments and the YMCA SRO units) were approved be project-based in 2010. In 2011, the same numbers of units in the same three communities remain approved to be project-based with an additional 4 units at Third East Hills. Additional units as listed are approved to be project based in 2011 and 2012. Thus a total of up to 440 units may be project based in 2012 (dependent on some developments securing final financing, and including HACP's MTW Initiative Step Up To Market Program). As noted in the chart, many will not receive subsidy until 2013. Additional vouchers may be project based at HACP's new developments or through a new competitive process. Note that tenant voucher lease up levels will be monitored and adjusted, if necessary, to ensure that the combined number of vouchers in use is consistent with the HACP's plans, budget, and obligations regarding total number of families served.

Table IIA-1 – Units in the Inventory - January 1, 2001 - January 1, 2011 – Projected January 1, 2012 - Projected December 31, 2012

Public Housing

	Eff/1 Bedroom				2 Bedroom				3 Bedroom			
	Jan-01	Jan-11	Dec-11	Dec-12	Jan-01	Jan-11	Dec-11	Dec-12	Jan-01	Jan-11	Dec-11	Dec-12
Family	1102	705	720	608	2653	1417	1443	1192	1894	1132	1094	969
Elderly	1429	1141	1141	1141	423	106	106	106	0	0	0	0
Total	**2531**	**1846**	**1861**	**1749**	**3076**	**1523**	**1549**	**1298**	**1894**	**1132**	**1094**	**969**

	4 Bedroom				5+ Bedrooms				Total			
	Jan-01	Jan-11	Dec-11	Dec-12	Jan-01	Jan-11	Dec-11	Dec-12	Jan-01	Jan-11	Dec-11	Dec-12
Family	403	256	229	204	121	54	52	37	6173	3564	3538	3010
Elderly	0	0	0	0	0	0	0	0	1852	1247	1247	1247
Total	**403**	**256**	**229**	**204**	**121**	**54**	**52**	**37**	**8025**	**4811**	**4785**	**4257**

Table IIA-2 – LIPH Units Added to Inventory – January 1, 2011 to December 31, 2011 (Projected)

Public Housing

	Eff / 1 Bedroom		2 Bedrooms		3 Bedrooms		4 Bedrooms		5+ Bedrooms		Total	
Family Community	**Std.**	**UFAS**	**Std.**	**UFAS**	**Std.**	**UFAS**	**Std.**	**UFAS**	**Std.**	**UFAS**	**Std.**	**UFAS**
Scattered Sites						2		1		1	0	4
Garfield Phase 3	9	1	6	1	4	1					19	3
Oak Hill II	4	1	18	2	18	2					40	5
Total	**13**	**2**	**24**	**3**	**22**	**5**	**0**	**1**	**0**	**1**	**59**	**12**

Table IIA-3 – LIPH Units to be Added to Inventory – January 1, 2012 to December 31, 2012
Public Housing

	Eff / 1 Bedroom		2 Bedrooms		3 Bedrooms		4 Bedrooms		5+ Bedrooms		Total	
Family Community	**Std.**	**UFAS**	**Std.**	**UFAS**	**Std.**	**UFAS**	**Std.**	**UFAS**	**Std.**	**UFAS**	**Std.**	**UFAS**
Garfield Phase 4	10	1	8	1	5	1					23	3
Total	**10**	**1**	**8**	**1**	**5**	**1**	**0**	**0**	**0**	**0**	23	3

Table IIA-4 – Units Demolished or Dispositioned – January 1, 2011 to December 31, 2011 Projected
Public Housing

Community	**Eff / 1 Bedroom**	**2 Bedrooms**	**3 Bedrooms**	**4 Bedrooms**	**5+ Bedrooms**	**Total**
Garfield Heights*			58	26	3	87
Glen Hazel Homes			2			2
Addison Terrace						
Scattered Sites		2	4	2		8
Total		**2**	**64**	**28**	**3**	**97**

* Although largely completed in 2010, these units were not removed from formal unit counts until 2011.

Table IIA-5 – Units to be Demolished or Dispositioned – January 1, 2012 to December 31, 2012
Public Housing

Community	**Eff / 1 Bedroom**	**2 Bedrooms**	**3 Bedrooms**	**4 Bedrooms**	**5+ Bedrooms**	**Total**
Homewood North		2	4	2		8
Northview Heights			34	3		37
Broadhead		48	16			64
Addison Terrace	123	210	77	23	12	445
Total	**123**	**260**	**131**	**28**	**12**	**554**

Table IIA-6 – Units Projected to be in Inventory – December 31, 2012

Public Housing	Eff/1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5+ Bedrooms	Total
Family	608	1192	969	204	37	3010
Elderly	1141	106	0	0	0	1247
Total	1749	1298	969	204	37	4257

Table IIA–7 – Housing Choice Vouchers Authorized

Section 8	2010	2011	2012
MtW Vouchers	6757	6757	6757
Non-MtW Voucher	316	316	316
Total	**7073**	**7073**	**7073**

Table IIA–8 – Number of HCV Units to be Project-based by Community

Section 8

Community	2010	2011	2012	
Veteran's Place	48	48	48	
Legacy Apartments	18	18	18	
YMCA SRO's	20	20	20	Pending completion of financing and renovations. Subsidy not anticipated in 2012.
3rd East Hills	0	4	4	
TBD*	0	TBD		*
2700 Centre	0	0	36	
Milliones Manor	0	0	39	
Wood Street	0	0	65	
Shanahan Apts.	0	0	11	Pending financial closing and completion of renovations. Subsidy not anticipated until 2013.
Amani CCDC	0	0	12	Pending completion of financing and construction. Subsidy not anticipated in 2012.
Hill District Housing I	0	0	52	Pending completion of financing, multiple approvals, and construction. Subsidy not anticipated in 2012.
Ozanam/Cliff	0	0	55	Pending completion of financing, multiple approvals, and construction. Subsidy not anticipated in 2012.
Addison Phase 1	0	0	80	Units to be project based via HACP's MTW Step Up To Market Program. Subsidy not anticipated in 2012.
Total	**86**	**90**	**440**	

Note: Veteran's Place and YMCA SRO's are non-MtW vouchers and are included in the non-MTW voucher count in Table IIA-7 above.

Descriptions of Communities: Please see narrrative section of Part II.A. of this Plan for a description of the communities.

* Additional properties may have vouchers project based, either through HACP project basing vouchers at its own new developments, and/or via new competetive process. No subsidy on any such units anticipated in 2012.

II. General Housing Authority Operating Information
B. Leasing Information – Planned

Public Housing Units Leased:
HACP projects total LIPH occupancy of 4045 units leased at the end of FY 2012. Projected leased units on December 31, 2012 include 2872 leased HACP-managed units and 1173 privately managed units. (See Tables IIB-1, IIB-2 and IIB-3.)

Housing Choice Voucher Units Leased:
The HACP projects a combined (MtW and non-MtW) HCV voucher usage of approximately 5500 vouchers at the end of FY 2011, and 5600 at the end of 2012. On August 11, 2010, combined HACP HCV voucher usage was 5368 vouchers. In all cases, the total numbers include full lease-up of HACP's 316 non-MTW vouchers.

Total Units Leased/Families Served:
Total projected HACP occupancy (LIPH and Section 8) for the end of 2012 is approximately 9,650 units. During the remainder of 2011 and throughout 2012, HACP will continue to adjust HCV usage levels as necessary to maintain HACP occupancy levels at or above required MtW baseline levels.

HACP, through the leveraging of its redevelopment dollars, is also responsible for the creation of additional affordable units. By the end of 2012, HACP projects 269 tax credit affordable units, and 278 affordable market rate units, all of which are at or near full occupancy, for an additional 547 families served.

On January 1, 2011, the HACP served a total of 9,240 households through its traditional programs (4034 LIPH households and 5,206 Section 8 households), 505 through non-traditional rental programs, and 83 through the HACP MTW homeownership program, for a total of 9,828 families served.

HACP projects that on December 31, 2012, it will serve 9,645 households through its traditional programs (4045 LIPH households and 5600 Section 8 households), 547 through non-traditional rental programs, and 103 through the HACP MTW homeownership program for a total of 10,295 families served.

Potential Difficulties Leasing Units
During 2011, HACP LIPH occupancy levels have been and will be impacted by relocation of HACP residents associated with demolition, modernization activity and redevelopment of HACP communities.

Anticipated relocation efforts at Addison Terrace in preparation for redevelopment should be accommodated by existing vacant units and normal turnover in other areas of Addison Terrace and at other HACP properties. Section 8 vouchers will also be utilized. Addison Terrace currently does not have any families on its waiting list or currently residing at the property with unmet 504 related needs. HACP's demolition application was approved in August, 2011 and HACP has stopped leasing to new families at this location and has closed this site to new applicants. HACP will continue to meet the need of current Addison Terrace residents throughout the relocation and redevelopment process, and will include appropriate 504 plans in the redevelopment plans.

Table IIB-1 – LIPH Occupancy – HACP-Managed - January 1, 2011, Projected December 31, 2011 and December 31, 2012

HACP – Managed	January 1, 2011			Projected December 31, 2011					Projected – December 31, 2012				
	Physical Unit Count	Number Occupied	Percent Occupied	Physical Unit Count	Number Occupied	Percent Occupied	Number off-line*	Adjusted Vacancy Percentage	Physical Unit Count	Number Occupied	Percent Occupied	Number off-line*	Adjusted Vacancy Percentage
1-1 Addison Terrace	734	548	75%	734	350	48%	384	100%	290	270	93%	0	93%
1-2 Bedford Dwellings	411	369	90%	411	381	93%	0	93%	411	381	93%	0	93%
1-4 Arlington Heights	143	126	88%	143	133	93%	1	94%	143	133	93%	1	94%
1-5 Allegheny Dwellings	272	239	88%	272	253	93%	1	93%	272	253	93%	1	93%
1-7 Saint Clair Village	0	0		0					0				
1-9 Northview Heights	575	384	67%	575	516	90%	39	96%	537	502	93%	1	94%
1-12 Garfield Heights	87	0	0%	0									
1-15 PA Bidwell High Rise	120	112	93%	120	115	96%	1	97%	120	115	96%	1	97%
1-17 Pressley High Rise	211	209	99%	211	203	96%	2	97%	211	203	96%	1	97%
1-20 Homewood North	134	104	78%	134	116	87%	10	94%	126	117	93%	2	94%
1-22 Scattered Sites South	156	145	93%	155	148	95%	8	101%	155	148	95%	0	95%
1-31 Murray Towers	68	64	94%	68	65	96%	1	97%	68	65	96%	1	97%
1-32 Glen Hazel	128	123	96%	128	120	94%	0	94%	128	120	94%	0	94%
1-33 Glen Hazel High Rise	97	92	95%	97	93	96%	0	96%	97	93	96%	0	96%
1-38 Glen Hazel Homes	6	4	67%	4	3	75%	1	100%	4	3	75%	1	100%
1-39 Scattered Sites North	133	120	90%	130	125	96%	1	97%	130	125	96%	1	97%
1-40 Brookline Terrace	30	0	0%	30	0	0%	0	0%	30	25	0%	0	83%
1-41 Allentown High Rise	104	100	96%	104	100	96%	0	96%	104	100	96%	0	96%
1-44 South Oakland (Finello)	60	59	98%	60	58	97%	0	97%	60	58	97%	0	97%
1-45 Morse Gardens	70	68	97%	70	67	96%	0	96%	70	67	96%	0	96%
1-46 Carrick Regency	66	64	97%	66	64	97%	2	100%	66	64	97%	0	97%
1-47 Gualtieri Manor	31	28	90%	31	30	97%	1	100%	31	30	97%	1	100%
1-62 Broadhead Manor	64	0	0%	64	0	0%	0						
Total	**3700**	**2958**	**80%**	**3607**	**2940**	**82%**	**452**	93%	**3053**	**2872**	**94%**	**11**	94%

*** Off-line Units for adjusted vacancy claculations include units used for resident services, units undergoing modernization, and units pending demolition.**

Table IIB-2 – LIPH Occupancy – Privately Managed - January 1, 2011, Projected December 31, 2011 and December 31, 2012

	January 1, 2011			Projected – Dec. 31, 2011					Projected – Dec. 31, 2012		
Privately Managed	**Physical Unit Count**	**Number Occupied**	**Percent Occupied**	**Physical Unit Count**	**Number Occupied**	**Percent Occupied**			**Physical Unit Count**	**Number Occupied**	**Percent Occupied**
1-64 New Pennley Place	38	38	100%	38	38	100%			38	38	100%
1-66 Oak Hill	430	412	96%	430	425	99%			430	425	99%
1-72 Manchester	86	76	88%	86	83	97%			86	84	98%
1-73 Christopher Smith	25	25	100%	25	25	100%			25	24	96%
1- 80 Silver Lake	75	75	100%	75	75	100%			75	75	100%
1- 82 Bedford Hills	180	174	97%	180	180	100%			180	180	100%
1- 85 North Aiken	62	62	100%	62	62	100%			62	62	100%
1-86 Fairmont	50	49	98%	50	50	100%			50	50	100%
1-87 Legacy Apartments	90	88	98%	90	90	100%			90	90	100%
1-XX Garfield Commons	75	75	0%	97	90	93%			123	100	81%
1-XX Oak Hill Phase 2	0	0	0%	45	45	100%			45	45	100%
Total	**1111**	**1074**	**97%**	**1178**	**1163**	**99%**			**1204**	**1173**	**97%**

Table IIB-3 – LIPH Occupancy – January 1, 2011, Projected December 31, 2011 and December 31, 2012
HACP-Managed and Privately Managed Units

	January 1, 2011			Projected December 31, 2011					Projected – December 31, 2012		
	Physical Unit	**Number Occupied**	**Percent Occupied**	**Physical Unit**	**Number Occupied**	**Percent Occupied**			**Physical Unit**	**Number Occupied**	**Percent Occupied**
HACP-Managed	3700	2958	80%	3607	2940	82%			3053	2872	94%
Privately Managed	1111	1074	97%	1178	1163	99%			1204	1173	97%
Agency Total	**4811**	**4032**	**84%**	**4785**	**4103**	**86%**			**4257**	**4045**	**95%**

Table IIB - 4A - HACP - LIPH and HCV Families Served 01/01/01 to 01/01/11 Traditional Programs

	1/1/2001	1/1/2002	1/1/2003	1/1/2004	1/1/2005	1/1/2006	1/1/2007	1/1/2008	1/1/2009	1/1/2010	1/1/2011	Proj. 1/1/2012	Proj. 12/31/2012
LIPH Family	3813	3489	3612	3573	3437	3280	3135	3017	2919	2879	2934	2915	2833
LIPH Elderly	1433	1355	1313	1248	1219	1218	1269	1211	1195	1132	1100	1188	1212
HCV Family	3440	3891	3973	4496	4786	6076	5649	4954	4651	4463	4538	4785	4872
HCV Elderly	459	472	555	581	560	592	588	609	596	600	672	715	728
Totals	**9145**	**9207**	**9453**	**9898**	**10002**	**11166**	**10641**	**9791**	**9361**	**9092**	**9244**	**9603**	**9645**

Table IIB-4B – Total Families Servied – January 1, 2010, January 1, 2011, and Projected December 31, 2011 and December 31, 2012

	January 1, 2010	**January 1, 2011**	**Projected December 31, 2011**	**Projected December 31, 2012**
	Families Served	**Families Served**	**Families Served**	**Families Served**
LIPH Traditional	3997	4032	4103	4045
HCV/Section 8 Traditional	5077	5210	5500	5600
Non-traditional rental	505	505	523	547
Homeownership	58	83	93	103
Total	**9637**	**9830**	**10219**	**10295**

II. General Housing Authority Operating Information

C. Waiting List Information

The HACP does not anticipate making any organizational or procedural changes to HACP public housing or housing choice voucher waiting lists in 2012. The HACP will continue to monitor HACP site-based waiting lists as an indicator of applicant preference and as a property management monitoring measure in 2012.

The HACP reopened the HACP Section 8 waiting list during the first quarter of 2010. Following the purging of the Section 8 waiting list in 2009 and the distribution of vouchers to applicants already on the waiting list beginning in May 2009, the existing HACP Section 8 waiting list was depleted. The waiting list was opened for a two- week period from February 28 through March 15, 2010, and over 9,000 families submitted pre-applications and were assigned waiting list position based on a random lottery drawing. Assignment of vouchers to persons on the waiting list continues and is constantly monitored to ensure alignment of leasing levels with HACP leasing and occupancy goals.

The HACP's waiting list for LIPH housing managed by HACP currently has 950 applicants (as of August 12, 2011). Opening the Section 8 waiting list in early 2010 did not result in a decline of applicants for LIPH housing. HACP believes the public housing waiting list numbers are still adequate to achieve occupancy increases as projected.

While HACP has achieved its lease up goals, significant numbers of families that submitted pre-applications were not eligible and thus the waiting list has been depleted at a faster than anticipated rate. To ensure adequate families are on the waiting list to maintain HACP's targeted voucher lease up levels, HACP will open the Housing Choice Voucher Waiting list in 2012. In re-opening the waiting list, HACP will utilize the same process used in 2010, opening the list for a two week period, accepting pre-applications for that period, and assigning waiting list position to all pre-applications received during the open period via a random lottery drawing.

A listing of waiting list by site follows this section.

Community SBWL Application Distribution Chart (Eligible and Pending)

	1	2	3	4	5	Total
Allegheny Dwellings	**274**	**36**	**0**	**0**	**0**	**310**
Arlington Heights	**252**	**33**	**0**	**0**	**0**	**285**
Bedford Dwellings	**350**	**44**	**25**	**0**	**0**	**419**
Caliguiri High-rise	**27**	**0**	**0**	**0**	**0**	**27**
Carrick Regency	**46**	**0**	**0**	**0**	**0**	**46**
Finello High-rise	**84**	**0**	**0**	**0**	**0**	**84**
Glen Hazel (Family)	**264**	**76**	**38**	**14**	**0**	**392**
Glen Hazel (High-rise)	**31**	**0**	**0**	**0**	**0**	**31**
Gualtieri Manor	**43**	**0**	**0**	**0**	**0**	**43**
Homewood North	**0**	**45**	**17**	**11**	**0**	**73**
Morse Gardens	**80**	**0**	**0**	**0**	**0**	**80**
Murray Towers	**89**	**7**	**0**	**0**	**0**	**96**
Northview Heights Estates	**0**	**21**	**12**	**11**	**1**	**45**
Northview Heights High-rise	**24**	**0**	**0**	**0**	**0**	**24**
Pennsylvania-Bidwell	**43**	**1**	**0**	**0**	**0**	**44**
Pressley Street High-rise	**55**	**4**	**0**	**0**	**0**	**59**
Scattered Sites	**0**	**66**	**8**	**9**	**1**	**84**
Total*	**666**	**190**	**61**	**31**	**2**	**950**

***distinct count of applicants - they may be on several lists but are only counted once.**

8/12/2011

Section III. Non-MTW Related Housing Authority Information (Optional)

A. Planned Sources and Uses of other HUD or other Federal Funds (excluding HOPE VI):

Information on planned sources and uses of other HUD or other Federal Funds (excluding Hope VI) are included and separately identified in the Sources and Uses charts included in Section VII.

B. Description of non-MTW activities proposed by the Agency:

HACP chooses not to include in the Moving To Work Annual Plan descriptions of most non-MTW activities. Two non-MTW Activities are discussed below: Activities related to the Voluntary Compliance Agreement, and PIC reporting requirements.

1. Description of non-MTW activities related to the Voluntary Compliance Agreement

- In December, 2010, HUD provided a notice of completion and close out of the Voluntary Compliance Agreement, as the requirements of the agreement have been met in all areas.

The HACP continues planning to complete one additional UFAS unit in an HACP family community, will begin construction of four additional UFAS units in late 2011 or early 2012 (2 each at Carrick Regency and Gualtieri Manor), and continues to receive and process reasonable accommodation requests and monitor demand for UFAS units, and makes modifications as necessary to accommodate all need.

2. PIC Reporting requirements

HACP achieved the required 95% compliance for both HACP managed units and privately managed units in 2011 and has completed the transition to the MTW Reporting Module.

Section IV. Long-Term Moving To Work Plan (Optional)

HACP's vision for its Moving To Work Program through 2018, and potentially beyond, builds upon the vision of HACP's 2001-2010 Moving To Work Plans. This vision is built around two major themes that together will achieve the three statutory objectives of the Moving To Work Demonstration Program.

Theme one is to reposition HACP's housing stock to compete in the local market, improve operational efficiencies, and expand housing choices for low-income families.

Theme two is to promote self-sufficiency and independent living through a variety of enhanced services and policy adjustments. These programs and policies will be designed to provide incentives to work for adult, able bodied, non-elderly heads of households and family members, and to promote social and academic achievement for children and youth. In addition to increasing economic self-sufficiency among assisted families, these programs and policies are expected to result in increased revenue for the Housing Authority (increasing the cost effectiveness of federal expenditures) while increasing housing choices for families (with increased work and income they will have additional housing choices both within the HACP portfolio and in the larger housing market).

While the mechanisms are not yet in place to effectively measure all of these expected outcomes, especially those that are cumulative and long-term, shorter-term measures either are or will be put into place for each specific MtW initiative. See Section VI for more detailed information on the specific initiatives.

Repositioning of HACP's Housing Stock

Since the initial HACP Moving To Work Annual Plan in 2001, a major component of HACP's moving to work strategy has been to reposition HACP's housing stock through a) preservation of successful developments and b) revitalization of distressed developments through strategic investments that re-link public housing properties to their surrounding neighborhoods and act as a driver of other public and private investments to revitalize entire neighborhoods.

Initiated prior to Moving To Work through three HOPE VI redevelopment projects and continued through the Moving To Work Program, HACP has achieved great success. Allequippa Terrace, Manchester Apartments, and Bedford Additions are replaced by Oak Hill, multiple properties across Manchester virtually indistinguishable from their neighbors, and the Bedford Hills apartments, respectively. Garfield Heights is being replaced by the new Garfield Commons, entering its fourth and final phase in 2012. The new senior buildings Silver Lake, the Fairmont, the Commons at North Aiken and the Legacy are new positive anchors in their neighborhoods, replacing the distressed, and neighborhood distressing, East Hills, Garfield, Auburn Towers and Addison High Rises.

A by-product of these redevelopment efforts, which feature reduced densities, mixed income, and modern conveniences, is a reduced number of traditional public housing units. This is not inappropriate in Pittsburgh, which has seen city population decline substantially over the last 40 years. More important is that this is balanced by the addition of new affordable units supported by tax credits, and new units rented at market rates. In Pittsburgh, many of the new market rate units are affordable to families of modest income. Section 8 Housing Choice vouchers also support low income families, provide them choices in the housing market, and support occupancy of units available in the private market.

HACP has also invested in its successful housing in recent years, including completion of partial comprehensive modernization at the Glen Hazel and PA-Bidwell highrises, and many other improvements. A complete renovation and modernization of the Mazza Pavilion is currently underway and will be completed late in 2011. HACP is also recently completed a five year plan to create fully accessible units at all of its properties, and has implemented an Energy Performance Contract for improvements that include the installation of energy efficient and cost saving geothermal heating (and cooling) systems at several developments.

HACP is committed to continuing these preservation and revitalization efforts, to the greatest extent feasible with the funding available, throughout the Moving To Work demonstration.

The charts at the end of this chapter show projected sources of funds that can be used for capital projects, and projected uses of those funds over the next ten years. All of these numbers reflect projected obligations (not expenditure) of funds, and are projections only and are subject change based upon funding levels and opportunities, financial and real estate market conditions, new or changing regulations or requirements, and other unforeseen developments. Please note that the "callout" boxes contain notes that refer to the item below and to the left of where the small arrow touches the box.

The highlights of this plan are as follows:

- Complete the Garfield Heights redevelopment. With the high rise replacement completed, Phases One and Two of the family development completed, Phase Three nearing completion and the final Phase IV poised to begin, completing this large redevelopment effort is a priority. HACP's investment, when combined with private efforts of the Bloomfield Garfield Corporation, the Garfield Jubilee Association, the Friendship Development Associates and the Penn Avenue Arts Initiative, position Garfield to build on the success of the surrounding neighborhoods and become a destination for private investment and a thriving, revitalized, neighborhood.
- Complete the rehabilitation of Mazza Pavilion. This successful property in the heart of the Brookline neighborhood business district had to be vacated due to a failed building envelope and a resulting mold situation. Although costly, rehabilitating this property is a priority and completion is expected late in 2011.
- Build on investments in Northview Heights. After completing conversion of 63 units into 26 new UFAS units and 26 new non-UFAS units, and the ESCO funded geothermal heating and cooling system, HACP continues to build on these investments to solidify Northview Heights' rebound. In 2010 Force Account staff renovated an additional 30 units in the buildings that received UFAS units. In 2010 and 2011, work to replace the roofs on buildings that had not had roof replacements, and the siding on all of the family buildings,

was completed. Continued investment in modernization of additional units, completing replacement of roofs, upgrading electrical systems and other improvements are planned.

- Begin revitalization of Addison Terrace. Only two blocks from the key Centre Avenue corridor in the Hill district, and the brand new Legacy Apartments, Hill Public Library, and under construction YMCA, HACP continues to work with the larger Hill Planning Process to redevelop the 1940's era Addison Terrace. Because of projected high costs for this redevelopment effort, including substantial infrastructure costs, and the scarcity of HOPE VI and other major grant programs, HACP is pursuing innovative financing strategies through Moving To Work to support this effort.
- Plan for new development in the East End, including Hamilton-Larimer. With the market and development rebound in East Liberty, and the completion of the Larimer Vision Plan for the Larimer Avenue corridor spanning East Liberty and Larimer, a growing consensus around neighborhood revitalization strategies in these neighborhoods has been demonstrated. Working with a variety of partners in Larimer and East Liberty, HACP is pursuing new development opportunities in these neighborhoods, including the Hamilton-Larimer and former Auburn Towers site on the border of East Liberty and Larimer. HACP will continue to work closely with other City agencies and neighborhood organizations to identify the opportunities with the potential for the greatest impact, and has applied for Choice Neighborhoods Initiative Planning grant funding to support this effort.
- Modernize other successful but aging properties. HACP recognizes that existing properties cannot be neglected. In addition to regular funding for safety and REAC items at all properties, HACP includes in this plan larger modernization efforts at other properties over the next ten years, including its successful scattered sites portfolio.

Not included in the attached chart are funding and financing strategies, including those that use MTW funding flexibility and support and leverage MTW funds to support redevelopment of these properties. As funding opportunities and financing mechanisms change, and creative approaches are devised, HACP will adapt and adopt the approaches that are most advantageous to the agency. These approaches include, but are not limited to, the following:

- Low Income Housing Tax Credits
- Federal, State and Local Housing Trust Funds dollars as available.
- Other Federal, State and Local funds such as CDBG, HOME, PA Department of Community and Economic Development Programs, and others as can be secured.
- HUD's new and evolving financing and transformation initiatives, if authorized, or other similar approaches.
- Project basing up to 500 Housing Choice Vouchers.
- Pledging future year Operating and Capital Funding to support redevelopment, directly or through leveraging of debt.
- Requesting replacement vouchers at rates above existing FMR's in order to finance redevelopment.
- Requesting Add-On transition funding in amounts adequate to support redevelopment.
- Requesting replacement vouchers at MTW-determined rates in order to support redevelopment.

- Any and all other opportunities and mechanism that are available or can be identified that will assist HACP in furthering its goals under MTW and under the Low Income Public Housing and Housing Choice Voucher programs.

Other sections of the Annual Plan include specifics on the funding strategies to be utilized in specific development phases planned for 2012 and future Plans will include additional details for future phases. HACP will follow HUD protocols in submitting Mixed Finance proposals for approval.

Promoting Self-Sufficiency And Independent Living Through A Variety Of Enhanced Services And Policy Adjustments.

HACP is committed to continuing to pursue programs and policies that promote self-sufficiency and independent living. This is pursued through programs and policy modifications.

HACP's Family Self-Sufficiency (FSS) Program, called Realizing Economic Attainment For Life or REAL, includes the Resident Employment Program (REP). REAL and REP provide a variety of supports, programs, and referrals to residents to assist them in preparing for, seeking, finding, and retaining employment. The program and the Authority also work constantly to link with other programs, leverage additional services, and create positive environments for families, adults, seniors, and children. REAL and REP are complemented by the programs provided by HACP and its partners that focus on youth of various ages, including the BJWL after school and summer programs, the Clean Slate Drug Free Lifestyles and Youth Leadership Development Program, and the Creative Arts Corner state of the art audio/video studios at Northview Heights and the Bedford Hope Center.

HACP policy modifications are also designed to promote self-sufficiency, and the modified rent policy, as described in Sections V and VI is designed to encourage families to participate in the FSS program.

The goal of these initiatives is to create an environment where work is the norm and personal responsibility is expected, and HACP will pursue additional policy adjustments towards this end. Such policy changes may include increasing the minimum rent for those able-bodied non-elderly residents who do not work or participate in the FSS program for over one year; partnering with schools to create academic achievement support and/or incentive programs, or other mandatory school attendance programs, for residents; or other creative initiatives still to be identified or developed. Any new initiatives will be included in the appropriate portions of parts V or VI of this or future Moving To Work Annual Plans.

It is HACP's vision to create vibrant, sustainable communities where family members of all ages can thrive and where life choices and opportunities are not limited. HACP will pursue this goal through the interconnected strategies of re- positioning the housing stock through preservation and revitalization, and promoting self-sufficiency through support programs and policy modifications.

HOUSING AUTHORITY OF THE CITY OF PITTSBURGH
2012 - 2021 CAPITAL BUDGET OLBIGATION SUMMARY

	PROJECTED SOURCES	2012	2013	2014	2015	2016	5-Year SubTotals	2017	2018	2019	2020	2021	5-Year Subtotals	10-Year Totals
SOURCES	MtW Funds ($5 Mil PH & $3 Million Voucher)*	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	62,500,000	12,500,000	12,000,000	11,500,000			36,000,000	98,500,000
	CFP Projected Future Funding	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	50,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	50,000,000	100,000,000
	RHF Projected Future Funding	2,739,383	468,571	500,000	500,000	500,000	4,707,954	500,000	500,000	500,000	500,000	500,000	2,500,000	7,207,954
	Choice Neighborhood Grant		10,000,000	13,000,000			23,000,000						0	23,000,000
	Green Building Grants/Conventional Mortgage(s) - New Central Office	4,000,000	6,000,000				10,000,000						0	10,000,000
	Addison - PETRA Funding	14,100,000	14,100,000	14,100,000	14,100,000		56,400,000						0	56,400,000
	Cove Place - Convetional Mortgage				2,000,000	5,000,000	7,000,000						0	7,000,000
	Program Income - Legacy						0						0	0
	Program Income - Garfield I/II/III						0						0	0
	TOTALS ALL PROJECTED SOURCES	*43,339,383*	*53,068,571*	*50,100,000*	*39,100,000*	*28,000,000*	*213,607,954*	*23,000,000*	*22,500,000*	*22,000,000*	*10,500,000*	*10,500,000*	*88,500,000*	*302,107,954*

		PROPOSED USES	2012	2013	2014	2015	2016	5-Year Subtotals	2017	2018	2019	2020	2021	5-Year Subtotals	10-Year Totals
USES	HACP-WIDE	Administrative	3,658,492	3,695,077	3,805,929	3,920,107	4,037,710	19,117,315	4,078,087	4,200,430	4,326,443	4,456,236	4,589,923	21,651,119	40,768,434
		Security	4,120,000	3,708,000	3,337,200	3,003,480	2,703,132	16,871,812	2,432,819	2,505,804	2,580,978	2,658,407	2,738,159	12,916,167	29,787,979
		504/UFAS misc	500,000	500,000	200,000	200,000	200,000	1,600,000						0	1,600,000
		Equipment (Range/Refrig, Vehicles, Other Misc)	515,000	515,000	515,000	515,000	515,000	2,575,000	515,000	530,000	515,000	530,000	545,900	2,635,900	5,210,900
		LBP Abatement - Other Misc Hazmat	500,000	515,000	530,450	546,364	500,000	2,591,814	500,000	500,000	500,000	500,000	500,000	2,500,000	5,091,814
								0						0	0
		Resident Services	2,000,000	1,800,000	1,600,000	1,400,000	1,200,000	8,000,000	100,000	1,000,000	1,000,000	1,000,000	1,000,000	4,100,000	12,100,000
		Garfield Debt Service to FannieMae						0						0	0
		SUBTOTAL HACP-WIDE USES	*11,293,492*	*10,733,077*	*9,988,579*	*9,584,951*	*9,155,842*	*50,755,941*	*7,625,906*	*8,736,234*	*8,922,421*	*9,144,643*	*9,373,982*	*43,803,186*	*94,559,127*
		SUBTOTAL DEVELOPMENT	*32,600,000*	*32,600,000*	*41,600,000*	*18,600,000*	*4,800,000*	*130,200,000*	*7,000,000*	*7,000,000*	*7,130,000*	*14,000,000*	*7,000,000*	42,130,000	*172,330,000*
		SUBTOTAL MODERNIZATION	*5,700,000*	*2,950,000*	*7,450,000*	*3,410,000*	*3,500,000*	*23,010,000*	*4,610,000*	*2,300,000*	*2,300,000*	*1,950,000*	*1,000,000*	12,160,000	*35,170,000*
		TOTALS ALL PROPOSED USES	*49,593,492*	*46,283,077*	*59,038,579*	*31,594,951*	*17,455,842*	*203,965,941*	*19,235,906*	*18,036,234*	*18,352,421*	*25,094,643*	*17,373,982*	*98,093,186*	*302,059,127*
		Annual Surplus/ (Deficit)	(6,254,109)	6,785,494	(8,938,579)	7,505,049	10,544,158		3,764,094	4,463,766	3,647,579	(14,594,643)	(6,873,982)		
		Additional Funding Available/(Needed)	*(6,254,109)*	*531,385*	*(8,407,194)*	*(902,145)*	*9,642,013*		*13,406,107*	*17,869,873*	*21,517,452*	*6,922,809*	48,827		*48,827*

HOUSING AUTHORITY OF THE CITY OF PITTSBURGH
2012 - 2021 DEVELOPMENT AND MODERNIZATION SUMMARY

DEVELOPMENT	Proposed Development	2012	2013	2014	2015	2016	5-Year Subtotals	2017	2018	2019	2020	2021	5-Year Subtotals	10-Year Totals	Comments
	Addison - Step Up to Market	14,100,000	14,100,000	14,100,000	14,100,000		56,400,000						0	56,400,000	400 units redeveloped on site.
	Addison - MtW Funds	14,500,000	2,500,000	14,500,000	2,500,000		34,000,000						0	34,000,000	Funding for site prep/ infrastructure and gap financing for all 4 phases
	Hamilton-Larimer		10,000,000	13,000,000			23,000,000						0	23,000,000	Planning in 2011 and Choice Neighborhood funding in 2013/2014.
	Arlington						0		500,000	6,630,000	7,000,000		14,130,000	14,130,000	Start planning in 2018. New construction budget for 60 PH at $221,000
	HACP/ARMDC Office	4,000,000	6,000,000				10,000,000						0	10,000,000	HACP headquarters scheduled to be sold, new office needed in 24 months
	Allegheny Dwellings					500,000	500,000	7,000,000	6,500,000				13,500,000	14,000,000	Redevelop community with 50 new public housing units with planning starting in 2016
	Homewood North						0			500,000	7,000,000	7,000,000	14,500,000	14,500,000	Start planning in 2019. New construction budget for 70 PH at $200,000
	Cove Place				2,000,000	4,300,000	6,300,000						0	6,300,000	ARMDC will develop market rate/for sale units.
	SUBTOTAL DEVELOPMENT	***32,600,000***	***32,600,000***	***41,600,000***	***18,600,000***	***4,800,000***	***130,200,000***	***7,000,000***	***7,000,000***	***7,130,000***	***14,000,000***	***7,000,000***	***42,130,000***	***172,330,000***	

Region	No.	Proposed Modernization	2012	2013	2014	2015	2016	5-Year Subtotals	2017	2018	2019	2020	2021	5-Year Subtotals	10-Year Totals	Comments
REGION I	1001/ 1013	Addison - Bentley Dr.	400,000	400,000	300,000		0	1,100,000	0	0	0	0	0	0	1,100,000	Prepare Mgmt. office/community space for Bentley Drive residents
REGION I	1002	Bedford Dwellings	0	0	500,000	510,000	0	1,010,000	100,000	0	100,000	0	0	200,000	1,210,000	REAC/Interim Safety work
REGION I	1015	PA Bidwell	200,000	50,000	50,000	50,000	300,000	650,000	50,000	50,000	50,000	50,000	1,000,000	1,200,000	1,850,000	Interim REAC and Safety Repairs
REGION I	1017	Pressley	50,000	50,000	50,000	0	100,000	250,000	50,000	50,000	50,000	0	0	150,000	400,000	Interim REAC and Safety Repairs
REGION II	1005	Allegheny Dwellings	100,000	100,000	100,000	50,000	100,000	450,000	50,000	0	100,000	0	0	150,000	600,000	Interim REAC and Safety Repairs until redev start in 2016 (see above)
REGION II	1009	Northview Heights	3,000,000	1,700,000	0	100,000	100,000	4,900,000	100,000	0		0	0	100,000	5,000,000	Change 32 flat roofs to gable roofs and upgrade electrical work in family community
REGION II	1011	Hamilton/Larimer	100,000	0	0	0	0	100,000	0	0	0	0	0	0	100,000	Interim REAC/Safety repairs in 2010-2011. Redevelopment in 2013 (see above)
REGION II	1020	Homewood North	100,000	100,000	50,000	50,000	50,000	350,000	0	0	0	0	0	0	350,000	Interim REAC/Safety repairs until redev start in 2019 (see above)
REGION III	1004	Arlington Heights	100,000	50,000	0	0	0	150,000	0	0	0	0	0	0	150,000	Interim REAC/Safety repairs unitl redev start in 2018 (see above)
REGION III	1031	Murray Towers	0	0	3,500,000	0	0	3,500,000	0	0	0	0	0	0	3,500,000	Comp. Modernization in 20134
REGION III	1032, 1057	Glen Hazel Family (incl. Renova)	0	0	200,000	0	200,000	400,000	0	200,000	0	200,000	0	400,000	800,000	Interim REAC and Safety Repairs
REGION III	1033	Glen Hazel Highrise	50,000	0	0	200,000	0	250,000	100,000	0	100,000	0	0	200,000	450,000	Interim REAC and Safety Repairs
REGION III	1041	Caliguiri Plaza	100,000	100,000	100,000	100,000	400,000	800,000	100,000	100,000	100,000	100,000	0	400,000	1,200,000	Interim REAC and Safety Repairs
REGION III	1044	Finello Pavillion	100,000	100,000	0	100,000	0	300,000	100,000	0	100,000	0	0	200,000	500,000	Interim REAC and Safety Repairs
REGION III	1045	Morse Gardens	0	0	0	100,000	50,000	150,000	100,000	0	100,000	0	0	200,000	350,000	Interim REAC and Safety Repairs
REGION III	1046	Carrick Regency	900,000	0	0	100,000	0	1,000,000	0	100,000	0	0	0	100,000	1,100,000	Clear plumbing lines in 2010; Interim REAC/Safety repairs.
REGION III	1047	Gualtieri Manor	100,000	0	0	50,000	0	150,000	1,860,000	0	0	0	0	1,860,000	2,010,000	Interim REAC and Safety Repairs; Mod in 2017
REGION III	1051, 1052	Scattered Sites	400,000	300,000	2,600,000	2,000,000	2,200,000	7,500,000	2,000,000	1,800,000	1,600,000	1,600,000	0	7,000,000	14,500,000	Interim REAC/Safety repairs; Mod of some units each year, from 3-4 in 2011 to 32 in 2013
		SUBTOTAL MODERNIZATION	***5,700,000***	***2,950,000***	***7,450,000***	***3,410,000***	***3,500,000***	***23,010,000***	***4,610,000***	***2,300,000***	***2,300,000***	***1,950,000***	***1,000,000***	***12,160,000***	***35,170,000***	

Comp Mod 70 units @ $50,000/unit

Comp Mod 31 units @ $60,000/unit

Section V. Proposed Moving To Work Activities: HUD Approval Requested

HACP is not requesting approval of any new initiatives for 2012, choosing instead to focus on refining and developing initiatives already under way.

Section VI. Ongoing MTW Activities: HUD approval previously granted.

TABLE 6. ONGOING MTW ACTIVITIES – HUD APPROVAL PREVIOUSLY GRANTED		
Activity	Plan Year Identified	Current Status
1. Modified Rent Policy - Work or FSS Requirement or increased minimum tenant payment for non-exempt HCV households	2011 Annual Plan	Ongoing
2. Modified Rent Policy - Work or FSS Requirement or increased minimum rent for non-exempt LIPH households	2008 Annual Plan	Ongoing
3. Revised Recertification Policy – at least once every other year – for Section 8/HCV	2008 Annual Plan	Ongoing
3. Revised Recertification Policy – at least once every other year – for LIPH	2009 Annual Plan	Ongoing
4. Operation of Combined LIPH and Section 8/HCV Homeownership Program	2007 Annual Plan	Ongoing
5. Homeownership Program assistance to include soft-second mortgage assistance coupled with closing cost assistance, homeownership and credit counseling, and foreclosure prevention only	2010 Annual Plan	Ongoing
5. Establish a Homeownership program soft-second mortgage waiting list.	2010 Annual Plan	Ongoing
5. Expand homeownership program eligibility to persons on the LIPH and HCV program waiting lists	2010 Annual Plan	Ongoing
6. Execute Energy Performance Contracts according to MTW Agreement	2008 Annual Plan	Ongoing
7. Establish Local Asset Management Program	2003 Annual Plan	Ongoing
8. Modified Housing Choice Voucher Program policy on maximum percent of Adjusted Monthly Income permitted.	2001 Annual Plan	Ongoing

9. Modified Payment Standard Approval - establish Exception Payment Standards up to 120% of FMR without prior HUD approval.	2004 Annual Plan	Ongoing for persons with disabilities; suspended for exception areas.
10.A. Use of Block Grant Funding to support development and redevelopment activities	2001 Annual Plan	Ongoing. Modified.
10. B. Use of Block Grant Funding to support Enhanced Family Self-Sufficiency Program	2004 Annual Plan	Ongoing.
10. C. Use of Block Grant Funding to support the HACP Homeownership Program	2002 Annual Plan	Ongoing. Modified.

1. Modified Rent Policy for the Section 8 Housing Choice Voucher Program

As approved in 2011, HACP requires that any non-elderly, able-bodied head of household who is not working to either a) participate in a local self-sufficiency, welfare to work, or other employment preparation and/or training/educational program or b) pay a minimum tenant payment of $150.00 per month. Voucher holders can claim an exemption from the work or $150 minimum tenant payment requirements as a result of participation in a self-sufficiency program for a maximum of five years. This policy provides additional incentives for families to work or prepare for work and will increase overall accountability. HACP's objectives for this program include increased employment and income by participants, increased participation in local self-sufficiency, welfare to work, and other employment preparedness/training/educational programs, and possibly decreased HAP expenditures.

Because of limited capacity in HACP's REAL Family Self-Sufficiency Program, voucher holders whose rent calculation results in a rent of less than $150 per month are permitted to certify via independent third party to their participation in an eligible local self-sufficiency, welfare to work, or other training or education program. HACP continues to pursue expanded partnerships to maximize the program options available for voucher holders.

HACP initially identified 15 programs that would qualify affected families for an exemption from the $150.00 minimum tenant payment, including the Pennsylvania Department of Public Welfare's Welfare to Work program that is associated with TANF assistance. HACP is working with the Allegheny County Department of Human Services and the Pennsylvania Department of Public Welfare and has identified additional programs and conducted outreach to identified programs to notify agencies of the new requirements and what constitutes acceptable verification.

HCV residents received a packet detailing the new requirements in June 2011.The packet contained information on the HACP Self Sufficiency programs, a list of agencies that offer employment and training opportunities, and details on the new requirements and what constitutes acceptable verification. HACP requires HCV families to provide hard copy documentation of participation in approved self sufficiency activities during each required recertification, and provides a form to be submitted.

Completion of preparations, training, resident notifications and agency notifications are ongoing, with full implementation expected by approximately October 1, 2011.

The provisions of the modified policy are expected to increase the percentage of families reporting earned income and increase the number of families pursuing training and preparation for work through local self-sufficiency, welfare to work, or other employment preparation/training/education programs.

Baselines, Benchmarks, and metrics – as of August 2010: As the policy has not yet been fully implemented, the August 2010 benchmarks remain; 2011 numbers are currently being compiled.

- HACP's current HCV Program population includes 1976 non-elderly, non-disabled families whose tenant payment calculation is less than $150 per month.
- Of these families, 1454 do not report any wage income. This is the group that this policy is expected to impact.
- Participation among all HCV program participants in HACP's REAL FSS program is 371.
- Determination of participation in other welfare to work or employment preparedness programs is still underway, and will not be complete until the policy is fully implemented. 769 program participants show TANF income, and thus are assumed to be compliant with state welfare to work requirements. 98 of these families are enrolled in HACP's REAL FSS program.
- HACP will also calculate average HAP overall, average HAP for non-elderly/non-disabled households, and average HAP for households whose rent calculation is less than $150 per month prior to application of utility allowances.
- Please see the chart below for December baseline information and Benchmark targets for each measure.

Measure	Baseline	Benchmark			
	12/2010	12/2011	12/2012	12/2013	12/2014
Non-Elderly, non-disabled families with tenant payment <$150 (+5%/year)	1988	1889	1794	1704	1619
Number of families with no wage income (+5%/year)	1477	1403	1333	1266	1203
Number of families enrolled in HACP's REAL FSS program (+10%/year)	439	520	572	629	692
Number enrolled in other self-sufficiency programs	*	*			
Average overall HAP (-2.5%/year)	$486	$474	$462	$450	$439
Average HAP for non-elderly, non-disabled families (-5%/year)	$538	$511	$486	$461	$438
Average HAP for non-elderly, non-disabled paying <$150 (-10%/year)	$657	$591	$532	$479	$431

* This number will be determined towards the end of 2011 once the policy is fully implemented and resident reporting of participation with third party confirmation has been completed. Increases of 5 to 10% per year are projected.

This activity is Authorized by Section D. 2. a. of Attachment C and Section D. 1. of Attachment D of the Moving To Work Agreement.

Information for Rent Reform Activities

- Agency's Board Approval of the Policy: HACP Board approval of the Annual Plan identified this policy change, and is an approval of the policy. Changes to the HCV program administrative plan, incorporating these changes and other updates, will be posted for public comment and submitted to the Board in February or March of 2011.
- Impact Analysis: As noted above and in the chart above, the number of families impact is between 1500 and 2000. Approximately half of these families are expected to already be enrolled in state Welfare to Work TANF programs. The remaining 750 to 1000 families are expected to enroll in an eligible program to achieve the exemption from the increased minimum tenant payment. Thus the major short term impact will be an increase in program enrollments. A small number, perhaps 10%, are expected to pay the higher tenant payment amount. Overall, HACP does not expect significant impact on most families' eligibility for housing or their ability to pay the tenant portion. We do expect to see significant increases in program participation.
- Annual Re-evaluation of rent reform initiative: Not applicable, as this program is still in initial implementation stages.
- Hardship Case Criteria: HACP will always consider individual circumstances via the grievance process.

No changes to Moving To Work Authority related to this initiative are planned for 2012.

2. Modified Rent Policy for the Low Income Public Housing Program.

As approved in 2008, HACP requires that any non-elderly, able-bodied head of household who is not working to either participate in the Family Self-Sufficiency Program or pay a minimum rent of $150.00 per month. Specifically, the HACP lease and ACOP requires that any non-elderly, able bodied head of household who is not working and is paying less then $150.00 per month in rent will be required to participate in a Family Self-Sufficiency Program. For administrative purposes, this has been presented as a minimum rent of $150 per month with the following exceptions:

- Tenant actively participating in HACP, Department of Public Welfare, or other approved self-sufficiency program.
- Tenant is age 62 or older.
- Tenant is blind or otherwise disabled and unable to work.
- Tenant is engaged in at least 15 hours of work per week.
- Tenant has applied for a hardship exemption.

All other elements of rent calculation remain unchanged, and those in one of the categories listed above may have rents of less than $150.00 per month but not less that $25.00 per month.

HACP may grant a hardship exemption from the rent, including the $25.00 per month minimum required of those exempted from the $150.00 minimum rent, under the following circumstances:

- When the family is awaiting an eligibility determination for a government assistance program;
- When the income of the family has decreased because of loss of employment;
- When a death has occurred in the family; and
- When other such circumstances occur that would place the family in dire financial straits such that they are in danger of losing housing. Such other circumstances will be considered and a determination made by the HACP.

When a family requests a hardship exemption, the HACP will determine if the hardship is temporary or long term. If the hardship is verified to be temporary (less than 90 days), when the hardship ceases, the HACP will reinstate the prior rent amount for the hardship period and offer the family a reasonable repayment agreement in accordance with the HACP Re-Payment Policy for the period the rent was suspended. Failure to comply with a reasonable repayment agreement under these circumstances may result in eviction.

If the hardship is verified to be long-term (lasting more than 90 days), the minimum rent will be suspended until the hardship ceases. Members of the family who are of working age and are not age 62 or older and are not blind or otherwise disabled may be required to participate in the Family Self-Sufficiency Program in order to qualify for the rent suspension. Although a family may not be evicted for failing to pay the minimum rent while the hardship is occurring, families who are required to participate in a Family Self-Sufficiency Program may be evicted for failure to actively participate and maintain in good standing with the FSS program during that time period.

If the Housing Authority determines there is no qualifying financial hardship, prior rent will be reinstated back to the time of suspension. The family may use the formal and/or informal grievance procedure to appeal the Housing Authority's determination regarding the hardship. No escrow deposit will be required in order to access the grievance procedure.

The existence of a hardship policy is included in the HACP lease, and residents are informed of the Hardship Policy during lease up.

HACP's modified rent policy will have a number of positive impacts on the HACP and HACP residents, including, but not limited to, increased rent collections by the HACP, a changed environment where work by adults is the norm, an increased level of active participation in the HACP self-sufficiency program and, of course, added incentive for residents to become self-sufficient.

HACP established baseline measures in mid-2008 and mid-2009 as the full implementation of the policy was completed, and detailed information on the impact of the activity as compared against the benchmarks and outcome metrics are included in HACP's Annual Reports. The baseline measures are:

HACP total rent roll
HACP rent collection amounts
Number of participants in the family self-sufficiency program
Number and percent of (non-elderly & non-disabled) families working (family communities)

HACP also reviews FSS data (see below), including:
who have graduated from FSS
who have escrow accounts

HACP established baseline measures in mid-2008 and mid-2009 as the full implementation of the policy was completed, and has some data dating to 2005 when the LIPH enhanced FSS program was established. LIPH data through 2010 from the Tracking at a Glance Software, Emphasys Elite, and internal reports are presented in the tables below.

FSS Program Stats	2005	2006	2007	2008	2009	2010
FSS Participants	658	835	347	599	685	630
Number of families working (of FSS participants)	181	222	254	167	290	204
Percentage of families working (of FSS participants)	27.51%	26.59%	73.20%	27.88%	42.34%	32.38%
# graduating from FSS					32	14
# of FSS participants with escrow accounts	29	42	50	111	188	191

Item	Baseline July 2008	Jul-09	Jul-2010	Jul-2011
HACP Rent Roll Amounts ($)	$685,682.44	$677,954.06	$ 629,457.98	$ 623,062.79
HACP Rent collection amounts ($)	$612,027.55	$684,948.74	$ 603,267.44	$ 553,277.10
	Aug-08			
Average Rent All Communities	$ 198.88		$ 199.81	$ 205.68
Number of families working (reporting wage income)	713		693	752
Percentage of families working	22%		22%	25%

Data is collected via Emphasys Elite software, with periodic reports based on the tenant database.

HACP anticipates that this policy will result in increased rent roll and collections, increased participation in the FSS program, and increased number and percentage of families working.

The first three indicators were expected to increase immediately, however, due to recent economic conditions and the time needed for families to prepare for work, the number and percentage of families working was not expected to increase until the second or third year of policy implementation.

At this point of implementation, expected results are modest but are generally in line with expected outcomes. Further analysis of results to date will be included in the HACP 2011 Annual Report.

No changes to Moving To Work Authority related to this initiative are planned for 2012. HACP has been working with private management companies to modify their policies to implement these provisions in privately managed public housing units during 2011. No other policy changes relating to this initiative are planned in 2012.

A variety of procedural and system adjustments are continuing to improve data integrity, the type of information maintained in the system, and to streamline the process for data extraction required for reporting purposes. In addition, HACP is devising procedures to follow up with those households who report no income but are able to pay the $150.00 minimum rent.

Increased rent collections will save money, and the desire to avoid an increased rent without accompanying increased income will provide an incentive for families to seek work or prepare for work. Further, once enrolled, the benefits of participating in the FSS program, including free training and escrow accounts once employed, will provide additional incentives to families to seek self-sufficiency.

Impact Analysis: HACP anticipated that this policy would result in increased rent roll and collections, increased participation in the FSS program, and increased number and percentage of families working.

Actual results did not reflect this trend. FSS participation declined slightly, believed to be due to increased emphasis on enforcing program requirements and accuracy of data records. Part of this effort involved a review of all participants to remove inactive participants from those recorded in the elite system as participating. However, HACP believes this is not a failure of the program, but rather a result of improved implementation.

Rent rolls also declined, and this is a result of a declining economy and the declining number of households in HACP managed communities as a result of ongoing redevelopment and demolition efforts. Rent collections increased, but this is likely the result of improved lease enforcement and rent collection efforts. These numbers are also not directly relevant as they include payments made on past due amounts, fines and fees. The average income and average tenant rent for the entire HACP population remained fairly constant, as did the overall number and percentage of families reporting wage income. HACP did not receive any hardship exemption requests in 2010. More detailed review of these statistics on a property by property level will be pursued when the outside evaluator is fully engaged.

In order to more fully understand the impacts of this policy, HACP has also gathered the following data for December 31, 2010:

LIPH Rent Policy Impact Data for December, 2010

Item	**Number**
Total non-disabled non-elderly families	1394
Number of families working (reporting wage income)	595
Percentage of non-disabled, non-elderly families working	43%
Number of families impacted (non-elderly non-disabled, and rent less than $150)	828
Number exempt due to disability (disabled, rent <$150)	206
Number exempt due to elderly (age 62+, rent <$150)	72
Number enrolling in FSS (not elderly, not disabled, Tenant Rent <= $150 and enrolled in FSS)	353

In assessing the impact of this policy, additional data will need to be extracted from current and historical database files. Additional research, perhaps through interview of focus groups, may also prove valuable. In 2010, HACP procured outside evaluators to assist in evaluation of this initiative. Unfortunately, the timetable for procurement, and finalizing contractual arrangements with the selected provider, the University of Pittsburgh, Graduate School of Public and International Affairs (GSPIA), Innovation Clinic, were not completed in time for assistance with this report. HACP looks forward to working with the University to more fully develop data collection tools and analysis.

This policy is authorized by section C. 11. of Attachment C, and Section C. 3 of Attachment D of the Moving To Work Agreement.

3. **Revised recertification requirements policy.**

Approved in 2008 for the Housing Choice Voucher Program and in 2009 for the Low Income Public Housing Program, recertification requirements are modified to require recertification at least once every two years rather than annually. Changes in income still must be reported, standard income disregards continue to apply, and HACP continues to utilize the EIV system in completing recertifications. This policy change reduces administrative burdens on the Authority, thereby reducing costs and increasing efficiency.

HACP has calculated the average time to process a recertification, the number of recerts previously completed annually, and the resulting costs, and has compared this to the same total calculations subsequent to the change in policy to measure the annual cost savings.

Recertification Policy for HCV	
Average time to process recerts	2
Number of recerts prior to policy change	5500
Average cost per recert	$53.63
Number of recerts after change	2750
Total cost Prior	$294,965.00
Difference from total cost prior and after	$147,482.50

In addition to cost savings, this new policy has improved HACP's performance and compliance with recertification requirements in the HCV program.

In the Low Income Public Housing Program, a variety of operational challenges, including some associated with the PIC system, continue to make determination of full compliance difficult. Thus full implementation of this policy in the LIPH Program was delayed, and no results are yet available. HACP's outside evaluators, procured in 2010 to assist in evaluation of this initiative were not fully under contract until 2011. Collection, review and assessment of data is underway, with results to be included in the 2011 Annual Report.

No changes to Moving To Work Authority related to this initiative are planned for 2012.

Authorized by Section C. 4. of Attachment C (for public housing) and Section D.1. c. of Attachment C (for Housing Choice Voucher Program).

4. **Operation of a combined Public Housing and Housing Choice Voucher Homeownership Program.**

Initially approved in 2007, with additional components approved in 2010. HACP operates a single Homeownership Program open to both Low Income Public Housing and Housing Choice Voucher Program households. This approach reduces administrative costs, expands housing choices for participating households, and provides incentives for families to pursue employment and self-sufficiency through the various benefits offered. By combining the programs, increased benefits are available to some families.

HACP data in 2009 indicated that there were over 800 families receiving Housing Choice Voucher assistance who had income high enough to be considered for homeownership. HACP tracks the number, and success rate, of Homeownership Program participants from the LIPH and HCV program. Further analysis of potentially eligible participants in the LIPH and HCV programs is conducted periodically, followed by appropriate outreach to potentially eligible families. The total number of homeownership sales and the number of participants in the program are also tracked to measure the impact of this initiative.

The tables below show Homeownership Program Statistics relevant to this Section VI. 4., and also to Section VI. 5. below.

Homeownership Statistics	2009	2010	LIPH 2010	HCV 2010
Closings / Purchase	12	14	6	8
Sales Agreements		14	9	5
Pre-Approval Letters		12	9	3
Number of applicants		64	53	11
Homeownership Education completed	56	40	32	8
HACP funds for closing (total)		$28,833	$19,620	$9,213
Average HACP 2nd mortgage amount*		$4,781	$7,218	$2,344
Average Purchase price		$73,015	$57,250	$84,839
Amount of non-HACP assistance**		$23,946	$10,340	$13,607
Foreclosures	0	0	0	0

* In 2010, only two HACP second mortgages were utilized by homebuyers. Other homebuyers either utilized no assistance, only closing assistance, or assistance from other sources. Assistance from other sources was as follows:

<u>Housing Choice Voucher Program Buyers:</u>
Seller's assist = $7,856.57
State = $3,000.00
Dollar Bank 3-2-1 = $2,750.00
Total = $13,606.57

<u>Low Income Public Housing Buyers:</u>
Seller's assist = $1039.62
State = $3,000.00
Dollar Bank 3-2-1 = $3,300.00
Total = $10,339.62

Total Direct Financial Assistance from Other Sources Provided to Homebuyers: $23,946.19
Total Direct Financial Assistance from HACP provided to Homebuyers: $59,997.

** The amounts of non-HACP assistance listed do not include soft second mortgages provided by the City of Pittsburgh Urban Redevelopment Authority (URA). The URA provided two soft second mortgages to homebuyers who proceed through the HACP homeownership program. Both were Housing Choice Voucher Program participants. One second mortgage was for $53,000, the other for $50,000, for a total of $103,000.

HACP has engaged outside evaluators to assist in evaluation of this initiative.

No changes to Moving To Work Authority related to this initiative are planned for 2012.

This activity is Authorized by Section B. 1. and D. 8 of Attachment C and Section B. 4. of Attachment D of the Moving To Work Agreement.

5. **Homeownership Program assistance to include soft-second mortgage assistance coupled with closing cost assistance, homeownership and credit counseling, and foreclosure prevention only; expand eligibility to persons on the LIPH and HCV program waiting list; establish a Homeownership Soft-second mortgage waiting list.**

Initially approved in 2010, the following provisions of the HACP homeownerhsip program are unchanged for 2011:

i. Provide soft-second mortgage financing for home purchases to eligible participants, calculated as follows: eligible monthly rental assistance x 12 months x 10 years, but in no case shall exceed $32,000. The second mortgage is forgiven on a pro-rated basis over a ten year period.
ii. Expand Homeownership Program eligibility to include persons on HACP's LIPH and Section 8 HCV waiting lists who have received a letter of eligibility for those programs from the HACP.
iii. Establish a Homeownership Waiting List to assist in determining the order of eligibility for second mortgage Homeownership benefits.

This program continues successfully, reducing costs for the HACP, providing incentives for families to become self-sufficient homeowners, and expanding housing choices for eligible families. Program enrollment is steady, and as in prior years, no foreclosures have taken place. Please see the program statistics under Section 4, above, for additional information on the results of this initiative.

HACP does not anticipate or plan any changes to the program in 2012.

HACP has engaged outside evaluators to assist in assessment of this initiative.

No changes to Moving To Work Authority related to this initiative are planned for 2012.

This activity is Authorized by Section B. 1. and D. 8 of Attachment C and Section B. 4. of Attachment D of the Moving To Work Agreement.

6. **Energy Performance Contracting**

Most recently approved in 2008. Under HACP's Moving To Work Agreement, HACP may enter into Energy Performance Contracts without prior HUD approval. HACP will continue its current EPC, executed in 2008, to reduce costs and improve efficient use of federal funds, with full reporting as required by the Moving To Work Agreement to be included in Annual Reports.

HACP's current EPC substantially completed installation of all items, including water saving measures and energy efficient lighting throughout the Authority's dwelling units. It also includes geothermal heating and cooling systems (and associated minor weatherization) of homes at Northview Heights, Arlington Heights, and Homewood North.

HACP anticipates substantial energy savings from these improvements. Closeout of the installation phase was finalized in 2011. The monitoring phase of the agreement has just begun full a full report expected for the 2012 year.

No changes to Moving To Work Authority related to this initiative are planned for 2012.

This activity is Authorized by Section A. 4. of Attachment D of the Moving To Work Agreement.

7. **Establishment of a Local Asset Management Program.**

Initially approved in 2003 and 2004, prior to HUD's adoption of a site based asset management approach to public housing operation and management. At that time, HACP embarked on a strategy to transition its centralized management to more decentralized site-based management capable of using an asset management approach. During HACP's implementation, HUD adopted similar policies and requirements for all Housing Authorities.

Specific elements of HACP's Local Asset Management Plan, including flexible use of Phase In of Management Fees as detailed in Section VII, were approved in 2010. HACP will continue to develop and refine its Local Asset Management Program to reduce costs and increase effectiveness. This includes continued decentralization of decision making, just-in-time materials delivery system, improved budgeting and budget tracking at the site level, and completion of a housing operations manual.

Please see the narrative accompanying Section VII which describes key elements of the HACP Local Asset Management Program, including deviations from standard fee-for-service and cost-allocation approaches, use of single fund budget authority, flexible use of phase in of Management Fees, and provides an update on this program. No changes to Moving To Work Authority related to this initiative are planned for 2012.

HACP has engaged outside evaluators in 2010 to assist in evaluation of this initiative.

8. **Modified Housing Choice Voucher Program policy on maximum percent of Adjusted Monthly Income permitted.**

Originally approved in 2001, HACP's operation of the Housing Choice Voucher Program allows flexibility in the permitted rent burden (affordability) for new tenancies. Specifically, the limit of 40% of Adjusted Monthly Income allowed for the tenant portion of rent is used as a guideline, not a requirement. HACP continues to counsel families on the dangers of becoming overly rent burdened, however, a higher rent burden may be acceptable in some cases. This policy increases housing choice for participating families by giving them the option to take on additional rent burden for units in more costly neighborhoods.

While this is a long-standing HACP policy, HACP is continuing to pursue data sources in order to identify the percentage of families renting in non-impacted census tracts prior to the policy change to establish a baseline, and to compare this to the percentage of new leases approved in non-impacted census tracts. HACP will also assess the percentage of new leases utilizing the affordability exception. Initial data and calculation assessments determined additional work was needed to ensure accuracy, and this work is ongoing. Results of this analysis will be included in 2011 Annual Report. No changes, other than improved data collection, are planned in 2012.

This activity is authorized in Section D. 2. C. of Attachment C and Section D. 1. b. of Attachment D of the Moving To Work agreement.

9. **Modified Payment Standard Approval.**

Originally approved in 2004, HACP is authorized to establish Exception Payment Standards up to 120% of FMR without prior HUD approval. HACP has utilized this authority to establish Area Exception Payment Standards and to allow Exception Payment Standards as a Reasonable Accommodation for a person with disabilities. Allowing the Authority to conduct its own analysis and establish Exception Payment Standards reduces administrative burdens on both the HACP and HUD (as no HUD submission and approval is required) while expanding housing choices for participating families.

HACP does not currently have any Area Exception Payment Standards, having eliminated them in prior years due to budgetary constraints, and does not anticipate establishing any such areas in 2012, but may do so in future years. If re-establishment of Area Exception Payment Standards are planned, specific metrics, baselines, and benchmarks will be established. As a previously approved activity, HACP is including this in this section.

HACP will continue to allow an Exception Payment Standard of up to 120% of FMR as a reasonable accommodation for persons with disabilities and to increase housing choices for persons with disabilities.

HACP has engaged outside evaluators to assist in evaluation of this initiative and to determine if re-establishment of Area Exception Payment Standards is appropriate. No changes to Moving To Work Authority related to this initiative are planned for 2012.

This activity is authorized under Section D. 2. a. of Attachment C of the Moving To Work Agreement.

10. **Use of Block Grant Funding Authority to Support Moving To Work Initiatives**

Originally approved with the initial Moving To Work agreement and Annual Plan in 2001 (development and redevelopment), 2002 (Homeownership) and 2004 (Enhanced Self-Sufficiency), HACP continues to utilize block grant funding to support these activities as identified in this and the 2011 Annual Plan under Section VII , Use of Single Fund Flexibility.

Each of these uses has been modified periodically since HACP entered the Moving To Work Program.

10.a. Use of Block Grant Funding Authority to support development and redevelopment activities.
Approved in each year of HACP's Moving To Work Program.

HACP utilizes the block grant funding flexibility of the Moving To Work Program to generate funds to leverage development and redevelopment activities. These development and redevelopment activities are a key strategy in pursuit of the goal of repositioning HACP's housing stock. This strategy increases effectiveness of federal expenditures by leveraging other funding sources and increases housing choices for low-income families by providing a wider range of types and quality of housing.

For example, in 2010 HACP utilized $7,672,994 generated from Housing Choice Voucher Subsidies and Low Income Public Housing Subsidies to support redevelopment of Garfield Heights, specifically Garfield Heights Phase III. This helped produce 23 LIPH units, 9 Tax Credit affordable units, and 9 affordable market rate units. This leveraged $7,291,363 in Low Income Housing Tax Credit Equity and $200,000 in additional investments. Closing for Garfield Phase III occurred in 2010, and construction and lease up will be completed in 2011.

These investments increase housing choice by creating brand new public housing, low income tax credit, and affordable market rate units available to low-income families, providing a style and quality of housing for low-income families that are not widely available in the Pittsburgh housing market.

This activity is authorized by Section B. of Attachment C of the Moving To Work Agreement, with additional specific authorizations in Attachment C, Section B (1) and D. (7) and Attachment D, Section B (1) and Section D(1).

In 2012, HACP proposes to modify the Use of Single Fund Flexibility to support development and redevelopment via the *Step Up To Market Financing Program.*

Step Up To Market Financing Program for Development, Redevelopment, and Modernization

A. Description:

- HACP will expand its use of the Block grant authority authorized in the Moving To Work Agreement to leverage debt to fund public housing redevelopment and modernization. The goal is to address additional distressed properties in HACP's housing stock prior to the end of the current Moving To Work agreement. Specifically, HACP will identify properties for participation in the Step Up To Market Program and will utilize one or more strategies, subject to any required HUD approvals, including but not limited to, the following:

   i. Project basing HACP units without competitive process
   ii. Determining a percentage of units that may be project-based at a development up to 100% of units
   iii. Project basing units at levels not to exceed 150% of the FMR as needed to ensure viability of identified redevelopment projects. Actual subsidy levels will be determined on a property-by-property basis, and will be subject to a

rent reasonableness evaluation for the selected site, and a subsidy layering review by HUD. When units are HACP-owned, the rent reasonableness evaluation will be conducted by an independent third party.

iv. Extending Eligibility for project based units to families with incomes up to 80% of AMI.

v. Establishing criteria for expending funds for physical improvements on PBV units that differ from the requirements currently mandated in the 1937 Act and implementing regulations. Any such alternate criteria will be included in an MTW Plan or Amendment submission for approval prior to implementation.

vi. Establishing income targeting goals for the project based voucher program, and/or for specific project based voucher developments, that have a goal of promoting a broad range of incomes in project based developments.

vii. Other actions as determined to be necessary to fund development and/or modernization subject to any required HUD approvals.HACP will follow HUD protocol and submit mixed-finance development proposals to HUD's Office of Public Housing Investments for review and approval.

In 2012, HACP will utilize the Step Up To Market strategy for its Addison Terrace property. HACP and its partners have identified the following strategies that will leverage Low Income Housing Tax Credits and capital contributions by the HACP in order to complete the financing necessary for Addison Redevelopment Phase One:

1. Project basing HACP units without competitive process (As authorized under Attachment C. Section B. Part 1. b. vi. and Part 1. c.; Attachment C. Section D. 7. a.. authorizing the HACP "to project-base Section 8 assistance at properties owned directly or indirectly by the agency that are not public housing, subject to HUD's requirement regarding subsidy layering.").

2. Determining a percentage of units that may be project based at a development, up to 100% of units. (As authorized under Attachment C. Section B. Part 1. b. vi. (authorizing the provision of HCV assistance or project-based assistance alone or in conjunction with other provide or public sources of assistance) and vii. (authorizing the use of MTW funds for the development of new units for people of low income); and Part 1. c. (authorizing these activities to be carried out by the Agency, of by an entity, agent, instrumentality of the agency or a partnership, grantee, contractor or other appropriate party or entity); Attachment C. Section D. 7. c. (authorizing the agency to adopt a reasonable policy for project basing Section 8 assistance) and Attachment D Section D. 1. c. (authorizing HACP to determine Property eligibility criteria)).

3. Project Basing Units at levels to be determined via independent third party rent reasonableness review, not to exceed 150% of FMR, (As authorized under Attachment C. Section D. Part 2. a. (authorizing the aqency to adopt and implement any reasonable policy to establish payment standards, rents, or subsidy levels); Part 2. b. (authorizing the agency to determine contract rents and to determine the content of contract rental agreements); Attachment C. Section D. 7. and Attachment D Section D. 1.)

4. Extending Eligibility for project based units to families with incomes up to 80% of AMI. (As authorized under Attachment C. Section B. Part 1. b. vi. and Part 1. c.; Attachment C. Section D. 7. (authorizing the agency to establish a project based voucher program) and Attachment D Section D. 1. a. (authorizing the agency to determine reasonable contract rents.)).

HACP will submit a full development proposal, including Rental Term Sheet, Pro Formas, Sources and Uses, schedules, and other detailed project information to HUD's Office of Public Housing Investments for approval as part of the mixed finance approval process as per HUD's protocol, and will ensure completion of a subsidy layering review.

B. Relationship to Statutory Objectives

- This policy will expand housing choices for low and moderate income families by fostering the redevelopment of obsolete housing and replacing it with quality affordable housing including low income public housing units, and low income housing tax credit units; it will also provide expanded unit style options offering townhouses, as well as apartments where currently only walk-up apartments are available.
- This policy has the potential to improve the efficiency of federal expenditures by stabilizing the long term costs of operating and maintaining low-income housing properties, and leveraging other capital resources (low-income housing tax credits and private market debt, foundation grants, local government matching funds, etc.)

C. Anticipated Impacts

- This policy is expected to allow the redevelopment of obsolete properties to continue at a reasonable pace, resulting in improved living conditions and quality of life for residents, reduced costs for the HACP, increases in leveraged resources, improvement and investment in surrounding neighborhoods, reduced crime at redeveloped properties, increased housing choices for assisted families.

D. Baselines, Benchmarks, and metrics

- Measures of housing quality – REAC scores.
- Measures of housing type – current unit types vs. and new unit types.
- Number and type of units constructed, modernized, rehabilitated, or created as a result of HACP's leveraged investment.
- Amounts of non-HACP funding leveraged towards construction of the redeveloped property.

E. Data Collection and Proposed Metrics

- Data will be collected from HACP's financial data systems, unit tracking systems, HUD's REAC scoring, City of Pittsburgh Police crime statistics reports, HACP's Emphasys system, and Site management data.

F. Authority

- <u>This activity is authorized by the Moving To Work Agreement, Attachment C. Section B. 1 and Section D. 7., and Attachment D. Section B. 1. and Section D. 1. ;</u>

10. B. Use of Block Grant Funding Authority to support Enhanced Family Self-Sufficiency Program.

Initially approved in 2004.

HACP offers an Enhanced Family Self-Sufficiency Program, known as REAL – Realizing Economic Attainment For Life. This program, which allows more program slots than would be required under standard rules, provides extra services, including more intensive case management and the Resident Employment Program, than would normally be possible. Utilizing this flexibility increases the incentives for families to become self-sufficient. It is important to note that the existence of the Enhanced Family Self-Sufficiency Program is necessary to fairly implement the HACP rent policy, as requiring participation in an ineffective program would punish low-income families with many obstacles to work. It is, however, a separate activity.

One of the benefits of HACP's REAL Family Self-Sufficiency Program is its flexibility in responding to an individual's or family's needs. Service range from intensive case management to employment training and placement, and include referral for assistance with nearly any obstacle a family may face including mental health and addiction issues. The frequency of case management contacts varies based upon the individual's situation and needs. The Resident Employment Program component offers or refers participants to appropriate services from job readiness to specific skill training and job placement assistance, and includes a database of participants seeking work for use by participating employers. Employment place in Section 3 opportunities generated by HACP contracts is a part of the Resident Employment Program component of the REAL Family Self-Sufficiency Program.

HACP measures the impact of this program based on a number of factors including the following:
Enrollment levels
Level of participation in offered training programs.
Number of persons completing offered training programs
Number of persons placed in employment and employed
Number of families accruing escrow
Number of persons retaining employment
Number of persons increasing income

REAL Family Self-Sufficiency Program Statistics

FSS Program Stats	Baseline (2005)	2006	2007	2008	2009	2010 Goal/ Benchmark	2010 Annual Total	2010 LIPH	2010 HCV
FSS Participants	974	1149	609	1101	1190	1200	1078	630	448
Number of families working (of FSS participants)	342	444	428	419	670		452	204	248
Percentage of families working (of FSS participants)	35.11%	38.64%	70.28%	38.06%	56.30%		42%	32%	55%
# graduating from					32		26	14	12

FSS									
# of FSS participants with escrow accounts	95	86	176	193	318		382	191	191
Other measures									
# participating in training programs					320		248	147	101
# completing training programs					305		152	84	68
# placed in employment					198		231	121	110
# retaining employment					645		480	239	241
# increasing income					269		249	131	118

Information is gathered through the Emphsys Elite and Tracking At A Glance software programs and through records kept by the Resident Employment Program. This program provides incentives for families to become economically self-sufficient.

FSS participation declined slightly, believed to be due to increased emphasis on enforcing program requirements. Part of this effort involved a review of all participants to remove inactive participants from those recorded in the elite system as participating. However, HACP believes this is not a failure of the program, but rather a result of improved implementation.

The employment numbers also show mixed results. While the total number of FSS participant families employed declined, this is in part due to the ending of a large construction project at Northview Heights that employed a significant number of families. The economy and declining job market since 2009 also negatively impacted HACP's results. Furthermore, the review of all participants identified families and individuals whose status had changed, further affecting the results as data was updated. On the other hand, a large number of families continued to retain employment and an increasing number accruing escrow indicates that the ongoing support of the FSS program assists families to hold on to their jobs and improve their situation.

Numbers for persons completing training also declined, but this is largely a result of revised definitions of 'training program' for these purposes. HACP has tightened the standards so that only skill and/or job specific training programs count towards training that can be 'completed,' while previously introductory and pre-requisite programs also counted towards 'completed training.' So while the quantitative result has declined, the qualitative result has improved.

No changes to Moving To Work Authority related to this initiative are planned for 2012.

This activity is authorized by Section B. 1. of Attachment C of the Moving To Work Agreement, and specifically subsection b. iii.

10. C. Use of Block Grant Funding Authority to support the HACP Homeownership Program.

First approved in 2002, with some modifications to that approval in subsequent years. The most recent changes were approved in the comprehensive MTW Homeownership Program included as an attachment to the 2007 MtW Annual Plan. There have not been any modifications to the program since that time.

This program provides credit counseling to interested families, homeownership preparation courses, and one-on-one assistance when needed in securing a mortgage pre-approval letter for those who have completed other program requirements. Assistance is also provided in locating a possible home for purchase, and foreclosure prevention and mortgage assistance provisions are in place to support new homeowners should crisis arise. To date, there have not been any foreclosures of families purchasing a home through HACP's homeownership program.

The program offers a variety of purchase options. These include the use of housing choice voucher assistance towards home purchase, as well as the purchase of scattered site low income public housing units by public housing residents. In 2010, 14 families were assisted in purchasing a home through the program. Additional program participation information is included in the tables below.

HACP utilizes block grant funding to support operation of its MTW Homeownership Program, which is a combined Low Income Public Housing and Housing Choice Voucher Homeownership Program. This flexibility also provides support for enhanced assistance levels and foreclosure prevention aspects of the program. This provides an incentive for families to seek work and self-sufficiency, and increases housing choices for low income families.

By providing homeownership opportunities for families currently receiving rental assistance, HACP expands housing choices, as measured by additional homeowners each year.

Please see the combined homeownership statistics under #4 above.

No changes to Moving To Work Authority related to this initiative are planned for 2012.

This activity is Authorized by Section B. 1. of Attachment C of the Moving To Work Agreement.

Outside Evaluators

Other than the internship assistance discussed under rent policy initiatives above, HACP has not previously utilized outside evaluators to assess its Moving To Work Program. In 2010, HACP procured an outside evaluator to focus on evaluation of the rent policy and the overall Moving To Work program, and the contract for this assistance was finalized in 2011. This outside evaluator, the University of Pittsburgh, Graduate School of Public and International Affairs, Center for Metropolitan Studies, is working with the Authority to establish improved evaluation mechanisms and to inform potential future policy modifications.

Section VII. Sources and Uses of Funding

A. Planned Sources (Operating, Capital, HCV) and uses of MTW Funds.

MTW Plan

Sources of MTW Funds	**Planned Amount**
Net Tenant Rental Revenue	$ 6,976,488.36
Tenant Revenue Other	$ 11,400.00
HUD PHA Grants	$ 107,928,823.00
LIPH Operating Grants	$37,339,087
MTW Section 8 Grants	$43,093,814
CFP/RHF Grants	$27,495,922
Investment Income - Unrestricted	$ 596,081.40
Fraud Recovery Funds	$ 52,373.50
Other Income	$ 1,272,774.85
Total	$ 116,837,941.11

MTW Plan

Uses of MTW Funds	**Planned Amount**
Administrative	$ 16,574,253.99
Asset Management Fee	$ 1,453,749.02
Tenant Services	3,199,493.00
Utilities	$ 10,241,598.20
Maintenance	$ 12,204,531.92
Protective Services	$ 4,000,000.00
General	$ 40,519,508.07
Other	$ 33,061,816.14
Capital Budget Hard Costs	$ 13,758,000.00
Other Financials	$ 2,500,000.00
Total	$ 137,512,950.34

Notes on significant changes from prior years:

- Other Income: Other income was under under-budgeted in 2011; 2012 budgets utilize updated projections based upon 2011 actuals to date.
- Tenant Services: This reflects an increase in tenant service contracts which are now charged directly to the sites.
- Other General Expenses: Changes to this are a result of a variety of items previously shown as Capital Outlays, including site preparation and infrastructure and some

demolition costs, being included in this category. This change was made for FDS purposes at the recommendation of our auditor.

- Frontllines: Changes to this item are largely a result of shifting of some functions from centralized to site based accounting; specifically two Occupancy Department staff members were assigned to sites, and MIS support for Tenant Services shifted to the sites along with the Tenant Services costs.
- Maintenance: Several items impact the overall maintenance budget line item, including:
    i. Maintenance equipment: Funds included here that previously were included as Capital Outlays.
    ii. Maintenance Contracts: 2011 included one time contracts for painting of occupied units; 2012 budget includes some costs for vehicles for specialized maintenance crews.
    iii. Fee for Service: HACP has re-centralized certain maintenance trades (such as plumbers, glaziers, electricians, carpenters) to reduce downtime and increase efficiency and productivity, and rates for have also increased, substantially changing this item.
    iv. Capital Expenses: Significant maintenance related capital expenses (as noted above) were budgetd in Other General Expense, rather than Capital Expense, for FDS purposes as recommended by our Auditor.

B. Planned Sources and Uses of State or Local funds.

HACP does not currently receive any State or Local Funds.

C. Planned Sources and Uses of the COCC

MTW Plan

COCC Sources	Planned Amount
Investment Income - Unrestricted	$ 0.00
Management Fees	$ 6,471,747.52
Frontline / Fee For Service Fees	$ 12,221,748.64
Other Income	$ 181,520.37
Total	$ 18,875,016.53

MTW Plan

Cocc Uses	**Planned Amount**
Administrative	$ 11,035,604.62
Tenant Services	$ 100,500.00
Utilities	$ 0.00
Maintenance	$ 6,676,493.27
General	$ 392,944.15
Other	$ 0.00
Total	$ 18,205,542.04

Additional charts included as an appendix show additional detail on planned sources and uses of MTW and non-MTW funds.

D. Deviations in Cost Allocation and Fee For Service Approach - Approach to Asset Management

In implementing its Moving To Work Initiatives, HACP's Local Asset Management Approach includes some deviations in cost allocation and fee for service approaches, as well as other variations to HUD asset management regulations. Because these all relate to accounting and sources and uses of funds, the information on HACP's Local Asset Management Program and Site Based Budgeting and Accounting is included in this section.

Approach to Asset Management

HACP follows HUD's guidelines and asset management requirements including AMP-based financial statements. HACP retains the HUD chart of accounts and the HUD crosswalk to the FDS. Under the local asset management program, HACP intends to retain full authority to move its MTW funds and project cash flow among projects without limitation. It is envisioned that MTW single fund flexibility, after payment of all program expenses, will be utilized to direct funds to the HACP development program, wherein HACP is working to redevelop its aging housing stock.

HACP's plan is consistent with HUD's ongoing implementation of project based budgeting and financial management, and project-based management. Operations of HACP sites are coordinated and overseen by Property Managers on a daily basis, who oversee the following management and maintenance tasks: maintenance work order completion, rent collection, leasing, community and resident relations, security, unit turnover, capital improvements planning, and other activities to efficiently operate the site. HACP Property Managers receive support in conducting these activities from the Central Office departments, including operations, human resources, modernization, Finance, and others.

HACP Property Managers develop and monitor property budgets with support from the HACP Finance staff. Budget training has been held to support the budget development process. HACP continues to develop and utilize project-based budgets for all of its asset management projects (AMPs). Property managers have the ability to produce monthly income and expense statements and use these as tools to efficiently manage their properties. All direct costs are directly charged to the maximum extent possible to the AMPs.

HACP utilizes a fee for Service and frontline methodology as outlined in 24 CFR 990 and in the HACP Operating Fund Rule binder, which describes the methodology used for allocating its expenses.

<u>Ongoing Initiatives and Deviations from General Part 990 Requirements</u>

During FY2012 the authority will undertake the following initiatives to improve the effectiveness and efficiency of the Authority:

- HACP will maintain the spirit of the HUD site based asset management model. It will retain the COCC and site based income and expenses in accordance with HUD guidelines, but will eliminate inefficient accounting and/or reporting aspects that yield little or no value from the staff time spent or the information produced.

- HACP will establish and maintain an MTW cost center that holds all excess MTW funds not allocated to the sites or to the voucher program. This cost center and all activity therein will be reported as other federal program. This cost center will also hold the balance sheet accounts of the authority as a whole.

- The MTW cost center will essentially represent a mini HUD. All subsidy dollars will initially be received and reside in the MTW cost center. Funding will be allocated annually to sites based upon their budgetary needs as represented and approved in their annual budget request. Sites will be monitored both as to their performance against the budgets and the corresponding budget matrix. They will also be monitored based upon the required PUM subsidy required to operate the property. HACP will maintain a budgeting and accounting system that gives each property sufficient funds to support annual operations, including all COCC fee and frontline charges. Actual revenues will include those provided by HUD and allocated by HACP based on annual property-based budgets. As envisioned, all block grants will be deposited into a single general ledger fund.

- Site balance sheet accounts will be limited to site specific activity, such as fixed assets, tenant receivables, tenant security deposits, unrestricted net asset equity, which will be generated by operating surpluses, and any resulting due to/due from balances. All other balance sheet items will reside in the MTW fund accounts, and will include such things as compensated balance accrual, workers compensation accrual, investments, A/P accruals, payroll accruals, etc. The goal of this approach is to attempt to minimize extraneous accounting, and reduce unnecessary administrative burden, while maintaining fiscal integrity.

- All cash and investments will remain in the MTW cost center. This will represent the general fund. Sites will have a due to/due from relationship with the MTW cost center that represents cash.

- All frontline charges and fees to the central office cost center will be reflected on the property reports, as required. The MTW ledger won't pay fees directly to the COCC. As allowable under the asset management model, however, any subsidy needed to pay legacy costs, such as pension or terminal leave payments, may be transferred from the MTW ledger or the projects to the COCC.

- The ESCO accounting will be maintained within the MTW cost center. This will include all assets, liabilities, debt service costs, and cost savings.

- No inventory will exist on the books at the sites. A just in time system will be operational and more efficient, both in time and expense.

- Central Operations staff, many of whom are performing direct frontline services such as home ownership, self-sufficiency, and/or relocation, will be frontlined appropriately to the low income public housing and/or Section 8 Housing Choice Voucher programs, as these costs are 100 percent low rent and/or Section 8.

- Actual Section 8 amounts needed for housing assistance payments and administrative costs will be allotted to the Housing Choice Voucher program, including sufficient funds to pay asset management fees. Block grant reserves and their interest earnings will not be commingled with Section 8 operations, enhancing the budget transparency. Section 8 program managers will become more responsible for their budgets in the same manner as public housing site managers.

- Management Information System costs will be direct charged to the programs benefiting from them, e.g. the LIPH module cost will be direct charged to AMPs; all indirect MIS costs will be charged to all cost centers based on a "per workstation" charge rather than a Fee for Service basis. This will allow for equitable allocation of the expense while saving time and effort on invoicing.

- MTW initiative funded work, such as contributions to the HACP development program, will also fund a 10 percent administration budget, in order to adequately and commensurately fund the administrative work to support the MTW initiatives.

<u>Flexible use of Phase in of Management Fees –</u>
As a component of its local asset management plan, the Housing Authority of the City of Pittsburgh elects to make use of phase-in management fees for 2010 and beyond. The HUD prescribed management fees for the HACP are $57.17 PUM. HACP will continue to follow the phase-in schedule and approach for management fees as proposed by HACP and approved by HUD in 2010, as follows:

Schedule of Phased-in Management Fees for HACP –

2008 (Initial Year of Project Based Accounting	$91.94
2009 (Year 2)	$84.99

2010 (Year 3)	$78.03
2011 (Year 4)	$78.03
2012 (Year 5 and beyond)	$78.03

The above numbers reflect 2009 dollars.

HACP has diligently worked to reduce its staffing and expenditure levels and reduce unnecessary COCC costs; it continues to do so, in an effort to cut costs further, in order to comply with the COCC cost provisions of the operating fund rule. It is also working to increase its management fee revenues in the COCC, through aggressive, and we believe, achievable, development and lease up efforts in both the public housing and leased housing programs. The 2012 budget shows a COCC surplus; this is benefiting from allowed phase in management fees. It does not appear possible for HACP to bring its COCC into balance without these phase in fees. As such, HACP is continuing the lock in at current levels the phase in fees as approved in the 2010 Annual Plan. HACP, as indicated above, has made dramatic cuts to its COCC staffing, in virtually every department. It has reduced staff, reduced contractors, cut administration, and made substantial budget cuts to move toward compliance with the fee revenue requirements. We are not yet able to meet the PUM fee revenue target until we grow our portfolio size. Fortunately, a major component of the HACP strategic plan is to grow its public housing occupancy, both through mixed finance development and management, as well as in house management, so as to better serve our low-income community and to recapture some of the fees lost to demolition. This requires central office staff and talent and expense. To make this plan work, i.e. to assist in the redevelopment of the public housing portfolio, we will need the continued benefit of the locked in level of phase in management fees.

It is worth noting that HACP has historically had above norm central office costs driven by an exceedingly high degree of unionization. HACP has over a half dozen different collective bargaining units; this has driven up costs in all COCC departments, especially in Human Resources and Legal. In addition, HACP is governed by requirements for City residency for all its employees. This has driven up the cost to attract and retain qualified people throughout the agency, but especially in the high cost COCC areas, where HACP has had to pay more to attract the necessary talent to perform these critical functions.

The phase in fee flexibility, coupled with HACP’s planned growth in public housing occupancy and increases in voucher utilization, will enable HACP's COCC to become sustainable in the long term and fully compliant with the operating fund rule. It should also be noted that this fee flexibility will come from HACP’s MTW funds, and will require no additional HUD funding. This flexibility is the essence of the MTW program, and will go a long way towards enabling HACP to successfully undertake and complete its aggressive portfolio restructuring efforts.

E. Use of Single Fund Flexibility

The HACP plans to utilize its single fund flexibility to direct $29,649,687 in 2012 from the HCVP and Low Income Public Housing Program funding to support the HACP development and modernization program. Specifically, this funding will be used for the following:

- Addison Terrace Redevelopment Phases I and II Site Preparation and Infrastructure
- Addison Terrace Redevelopment Phase I Financing
- HACP Office Development

HACP will continue the use of single fund flexibility as approved in prior years for the activities listed below:

Activity	Plan Year Originally Approved	Status
Use of Block Grant Funding to support development and redevelopment activities	2001 Annual Plan	Ongoing.
Use of Block Grant Funding to support Enhance Family Self-Sufficiency Program	2004 Annual Plan	Ongoing.
Use of Block Grant Funding to support the HACP Homeownership Program	2002 Annual Plan, with some modifications in subsequent years.	Ongoing.

Beginning in 2012, HACP intends to modify its use of Block Grant Funding to support development and redevelopment activities by implementing the *Step Up to Market Financing Program* to utilize MTW funding to leverage debt to fund redevelopment, as described in more detail in Section VI, item 10a.

The HACP will also continue to explore all opportunities for funding and financing strategies that use MTW funding flexibility and support and leverage MTW funds to support re-development including, but not limited to, the following:

- Pledging future year Operating, Capital or Housing Choice Voucher Funding to support redevelopment.
- Project basing HACP units without competitive process.
- Determining a percentage of units that may be project based at a development up to 100% of units.
- Project basing units at up to 150% of FMR, subject to rent reasonableness review and other provisions of the Step Up To Market Program.
- Expanding eligibility for project based units to families with incomes up to 80% of AMI.
- Establishing criteria for expending funds for physical improvements on PBV units that differ from the requirements currently mandated in the 1937 Act and implementing regulations. Any such alternative criteria will be submitted to HUD for approval prior to implementation.
- Establishing income targeting goals for the project based voucher program, and/or specific project based voucher developments, that have a goal of promoting a broad range of incomes in project based development.

- Other actions as determined necessary to fund development and/or modernization subject to any required HUD approvals.
- Any and all other opportunities and mechanisms that are available that will assist HACP in furthering its goals under MTW and under the low income public housing and housing choice voucher programs.

Please see Section VI. Item 10.a. for additional details on these strategies and HACP's plans to utilize specific strategies in 2012.

Other

HACP intends to apply for non-MTW grant funding through the HOPE VI, Choice Neighborhoods, ROSS and other HUD and non-HUD grant programs. HACP plans to apply for HOPE VI funding for Addison Terrace and Choice Neighborhoods funding for Auburn/Hamilton-Larimer.

Section VIII. Administrative

The following pages include the additional documents required for the Administrative section of the Moving To Work Annual Plan.

A. Board Resolution.

A signed copy of the HACP Board Resolution adopting this annual plan and the Certifications of Compliance are attached.

B. Agency Directed Evaluations of the Moving To Work Demonstration

HACP has engaged a third party to provide ongoing support and evaluation of the Moving To Work Demonstration, with work to begin in 2011.

SOURCES

FY 2012 Sources and Uses

COST CENTER	FDS #	ACCT #	LIPH	COCC	MTW S8	CFP	TOTAL MTW	NON-MTW S8	S8 FSS	ARRA	RHF	ROSS	FANNIE LOAN	MROP	PROGRAM INC	TOTALS
COCC			$ -	$ 18,693,496	$ -	$ 939,429	$ 19,632,925	$ -	$ 262,267	$ -	$ -	$ 47,262	$ -	$ -	$ -	$ 19,942,454
Fee for Service-Legal	70740	367000	$ -	$ 804,110	$ -	$ -	$ 804,110	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 804,110
Fee for Service-Facility Services	70740	367000	$ -	$ 7,223,916	$ -	$ -	$ 7,223,916	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,223,916
Frontline-Finance	70740	365000	$ -	$ 26,079	$ -	$ -	$ 26,079	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 26,079
Frontline-MIS	70740	365000	$ -	$ 844,912	$ -	$ -	$ 844,912	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 844,912
Frontline-Operations	70740	365000	$ -	$ 1,561,501	$ -	$ -	$ 1,561,501	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,561,501
Frontline-Occupancy	70740	365000	$ -	$ 948,021	$ -	$ -	$ 948,021	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 948,021
Frontline-Resident Services	70740	365000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Frontline-Community Services	70740	365000	$ -	$ 160,869	$ -	$ -	$ 160,869	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 160,869
Frontline-CRMs	70740	365000	$ -	$ 121,788	$ -	$ -	$ 121,788	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 121,788
Frontline-Dev & Mod	70740	365000	$ -	$ 338,777	$ -	$ -	$ 338,777	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 338,777
Frontline-VCA	70740	365000	$ -	$ 191,775	$ -	$ -	$ 191,775	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 191,775
Resident Service Grants			$ -	$ -	$ -	$ -	$ -	$ -	$ 262,267	$ -	$ -	$ 47,262	$ -	$ -	$ -	$ 309,529
Investment Income	71100	361000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
LIPH Management Fees - MF	70710	419035	$ -	$ 768,155	$ -	$ -	$ 768,155	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 768,155
Management Fees	70710	417200	$ -	$ 5,703,593	$ -	$ 939,429	$ 6,643,022	$ -	$ -	$ -		$ -	$ -	$ -	$ -	$ 6,643,022
MTW (OTHER AMP)			$ 22,648,015	$ -	$ -	$ -	$ 22,648,015	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22,648,015
Subsidy	70600	340100	$ 22,320,973	$ -	$ -	$ -	$ 22,320,973	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22,320,973
Investment Income	71100	361000	$ 327,042	$ -	$ -	$ -	$ 327,042	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 327,042
Subsidy Transfer (Out)	70600	340100	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
AMPS			$ 23,005,711	$ 181,520	$ 325,440	$ -	$ 23,512,671	$ 17,960	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 23,530,631
Subsidy	70600	340100	$ 15,018,114	$ -	$ -	$ -	$ 15,018,114	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 15,018,114
Subsidy Transfer (In)	70600	340100	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Dwelling Rent	70300	311000	$ 6,976,488	$ -	$ -	$ -	$ 6,976,488	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,976,488
Excess Utilities	70400	31200	$ 11,400	$ -	$ -	$ -	$ 11,400	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 11,400
Non-Dwelling	71500	319000	$ 28,548	$ -	$ -	$ -	$ 28,548	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 28,548
Fraud Recovery	71400	330001	$ 250	$ -	$ 52,124	$ -	$ 52,374	$ 2,877	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 55,250
Other	70400	369000	$ 970,911	$ 181,520	$ 273,316	$ -	$ 1,425,747	$ 15,083	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,440,831
HCVP / SECTION 8			$ -	$ -	$ 43,362,853	$ -	$ 43,362,853	$ 2,393,033	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 45,755,886
Administrative Fees	70600.02	330022	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Investment Income	71100	361000	$ -	$ -	$ 269,039	$ -	$ 269,039	$ 14,847	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 283,886
Housing Assistance Payments	70600.01	802600	$ -	$ -	$ 43,093,814	$ -	$ 43,093,814	$ 2,378,186	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 45,472,000
TOTAL OPERATIONS			$ 45,653,727	$ 18,875,017	$ 43,688,293	$ 939,429		$ 2,410,993	$ 262,267	$ -	$ -	$ 47,262	$ -	$ -	$ -	$ 2,720,522
																$ -
CAPITAL BUDGET			$ -	$ -	$ -	$ 19,006,180	$ 19,006,180	$ -	$ -	$ -	$ 7,550,313	$ -	$ -	$ -	$ -	$ 26,556,493
Development	70600	840001	$ -	$ -	$ -	$ 4,200,000	$ 4,200,000	$ -	$ -	$ -	$ 7,550,313	$ -	$ -	$ -	$ -	$ 11,750,313
Modernization	70600	840001	$ -	$ -	$ -	$ 14,806,180	$ 14,806,180	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 14,806,180
TOTAL REVENUES			$ 45,653,727	$ 18,875,017	$ 43,688,293	$ 19,945,609	$ 128,162,645	$ 2,410,993	$ 262,267	$ -	$ 7,550,313	$ 47,262	$ -	$ -	$ -	$ 138,433,480

FY 2012 Sources and Uses

USES

LINE ITEM			LIPH	COCC	MTW S8	CFP	TOTAL MTW	NON-MTW S8	S8 FSS	ARRA	RHF	ROSS	LOAN	MROP	PROGRAM INC	TOTALS
ADMINISTRATIVE	91000	419000	$ 10,383,791	$ 11,035,605	$ 4,090,463	$ 2,100,000	$ 27,609,859	$ 245,237	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 27,855,096**
ASSET MANAGEMET FEE	92000	420000	$ 514,320	$ -	$ -	$ 939,429	$ 1,453,749	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 1,453,749**
TENANT SERVICES	92500	42XXX	$ 582,003	$ 100,500	$ 284,310	$ 2,333,180	$ 3,299,993	$ 15,690	$ 262,267	$ -	$ -	$ 47,262	$ -	$ -	$ -	**$ 3,625,211**
UTITLITIES	93000	43XXX	$ 10,241,598	$ -	$ -	$ -	$ 10,241,598	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 10,241,598**
MAINTENANCE	94000	44XXX	$ 11,689,532	$ 6,676,493	$ -	$ 515,000	$ 18,881,025	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 18,881,024**
PROTECTIVE SERVICES	95000	446XX	$ -	$ -	$ -	$ 4,000,000	$ 4,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 4,000,000**
GENERAL	96100	451000	$ 32,731,514	$ 392,944	$ 137,681	$ 100,000	$ 33,362,139	$ 7,598	$ -	$ -	$ 7,550,313	$ -	$ -	$ -	$ -	**$ 40,920,050**
Extraordinary Maintenance	97100	461000	$ 108,500	$ -	$ -	$ -	$ 108,500	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 108,500**
Casualty Loss	97200	462000	$ 250,599	$ -	$ -	$ -	$ 250,599	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 250,599**
Housing Assistance Payments	96700	415700	$ -	$ -	$ 32,702,718	$ -	$ 32,702,718	$ 1,790,740	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 34,493,458**
Debt Service Payments			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Capital Budget Outlays	160		$ 3,800,000	$ -	$ -	$ 9,958,000	$ 13,758,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 13,758,000**
Other Financial Items	no fds	NONE	$ 2,500,000	$ -	$ -	$ -	$ 2,500,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 2,500,000**
Operating Transfers in	10010	490002	$ (24,300,197)	$ -	$ -	$ -	$ (24,300,197)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ (24,300,197)**
Operating Transfers out	10020	490003	$ 17,827,075	$ -	$ 6,473,122	$ -	$ 24,300,197	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 24,300,197**
TOTAL USES			**$ 66,328,735**	**$ 18,205,542**	**$ 43,688,293**	**$ 19,945,609**	**$ 148,168,179**	**$ 2,059,265**	**$ 262,267**	**$ -**	**$ 7,550,313**	**$ 47,262**	**$ -**	**$ -**	**$ -**	**$ 158,087,285**
NET CASH FLOW			**$ (20,675,008)**	**$ 669,474**	**$ (0)**	**$ -**	**$ (20,005,534)**	**$ 351,727**	**$ -**	**$ -**	**$ (0)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (19,653,806)**

FY 2012 Sources and Uses

SOURCES

Line Item	LIPH	COCC	MTW S8	CFP	TOTAL MTW	NON-MTW S8	S8 FSS	RHF	ROSS	MROP	TOTALS
Net Tenant Rental Revenue	$ 6,976,488	$ -	$ -	$ -	$ 6,976,488	$ -	$ -	$ -	$ -	$ -	**$ 6,976,488**
Tenant Revenue Other	$ 11,400	$ -	$ -	$ -	$ 11,400	$ -	$ -	$ -	$ -	$ -	**$ 11,400**
HUD PHA Operating Grants	$ 37,339,087	$ -	$ 43,093,814	$ 19,945,609	$ 100,378,510	$ 2,378,186	$ 262,267	$ 7,550,313	$ 47,262	$ -	**$ 110,616,538**
S8 - Ongoing Administrative Fees Earned	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
S8 - Housing Assistance Payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Investment Income - Unrestricted	$ 327,042	$ -	$ 269,039	$ -	$ 596,081	$ 14,847	$ -	$ -	$ -	$ -	**$ 610,929**
Property Management Fees	$ -	$ 6,471,748	$ -	$ -	$ 6,471,748	$ -	$ -	$ -	$ -	$ -	**$ 6,471,748**
Frontline Service Fee	$ -	$ 12,221,749	$ -	$ -	$ 12,221,749	$ -	$ -	$ -	$ -	$ -	**$ 12,221,749**
Fraud Recovery Funds	$ 250	$ -	$ 52,124	$ -	$ 52,374	$ 2,877	$ -	$ -	$ -	$ -	**$ 55,250**
Other Income	$ 999,459	$ 181,520	$ 273,316	$ -	$ 1,454,295	$ 15,083	$ -	$ -	$ -	$ -	**$ 1,469,379**
Total Revenues	**$ 45,653,727**	**$ 18,875,017**	**$ 43,688,293**	**$ 19,945,609**	**$ 128,162,645**	**$ 2,410,993**	**$ 262,267**	**$ 7,550,313**	**$ 47,262**	**$ -**	**$ 138,433,480**

USES

Line Item	LIPH	COCC	MTW S8	CFP	TOTAL MTW	NON-MTW S8	S8 FSS	RHF	ROSS	MROP	TOTALS
Administrative	$ 10,383,791	$ 11,035,605	$ 4,090,463	$ 2,100,000	$ 27,609,859	$ 245,237	$ -	$ -	$ -	$ -	**$ 27,855,096**
Asset Management Fee	$ 514,320	$ -	$ -	$ 939,429	$ 1,453,749	$ -	$ -	$ -	$ -	$ -	**$ 1,453,749**
Tenant Services	$ 582,003	$ 100,500	$ 284,310	$ 2,333,180	$ 3,299,993	$ 15,690	$ 262,267	$ -	$ 47,262	$ -	**$ 3,625,211**
Utilities	$ 10,241,598	$ -	$ -	$ -	$ 10,241,598	$ -	$ -	$ -	$ -	$ -	**$ 10,241,598**
Maintenance	$ 11,689,532	$ 6,676,493	$ -	$ 515,000	$ 18,881,025	$ -	$ -	$ -	$ -	$ -	**$ 18,881,024**
Protective Services	$ -	$ -	$ -	$ 4,000,000	$ 4,000,000	$ -	$ -	$ -	$ -	$ -	**$ 4,000,000**
General	$ 32,731,514	$ 392,944	$ 137,681	$ 100,000	$ 33,362,139	$ 7,598	$ -	$ 7,550,313	$ -	$ -	**$ 40,920,050**
Other	$ 359,099	$ -	$ 32,702,718	$ -	$ 33,061,817	$ 1,790,740	$ -	$ -	$ -	$ -	**$ 34,852,557**
Debt Service Payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Operating Transfers In	$ (24,300,197)	$ -	$ -	$ -	$ (24,300,197)	$ -	$ -	$ -	$ -	$ -	**$ (24,300,197)**
Operating Transfers out	$ 17,827,075	$ -	$ 6,473,122	$ -	$ 24,300,197	$ -	$ -	$ -	$ -	$ -	**$ 24,300,197**
Capital Budget Hard Costs	$ 3,800,000	$ -	$ -	$ 9,958,000	$ 13,758,000	$ -	$ -	$ -	$ -	$ -	**$ 13,758,000**
Other Financials	$ 2,500,000	$ -	$ -	$ -	$ 2,500,000	$ -	$ -	$ -	$ -	$ -	**$ 2,500,000**
Total Uses	**$ 66,328,735**	**$ 18,205,542**	**$ 43,688,293**	**$ 19,945,609**	**$ 148,168,179**	**$ 2,059,265**	**$ 262,267**	**$ 7,550,313**	**$ 47,262**	**$ -**	**$ 158,087,285**
Excess of Revenue over Expenses	**$ (20,675,008)**	**$ 669,474**	**$ (0)**	**$ -**	**$ (20,005,534)**	**$ 351,727**	**$ -**	**$ (0)**	**$ -**	**$ -**	**$ (19,653,806)**

Note - Please note that the LIPH/COCC column presents both low rent operating expenses along with the originating COCC (central office) costs; these COCC costs are charged out to LIPH, creating an offestting revenue in the COCC; this entry creates a duplication. As a result, the costs are duplicated, and COCC revenues are created that are really just internal accounting entries. At year end elinimations entries will be made to wipe out the duplicated cost and revenue items.

FY 2012 Capital Budget

Source:	Revenues	Community	Item	CFP	RHF	ROSS	MROP	S8 FSS	Section 8	LIPH
	$ 27,805,451	Available All Grants	Various	$ 19,945,609	$ 7,550,313	$ 47,262	$ -	$ 262,267	$ -	$ -
	$ 29,839,251	Operating Transfer In		$ -	$ -	$ -	$ -	$ -	$ 6,473,122	$ 23,366,129
Total:	$ 57,644,702			$ 19,945,609	$ 7,550,313	$ 47,262	$ -	$ 262,267	$ 6,473,122	$ 23,366,129

Uses: Development

	Cost	Community	Item	CFP	RHF	ROSS	MROP	S8 FSS	Section 8	LIPH
1499	$ 12,000,000	Addison - Phases I & II	Site Prep & Infrastructure	$ -	$ 7,550,313	$ -	$ -	$ -	$ 1,173,122	$ 3,276,566
1499	$ 21,400,000	Addison - Phases I	Gap Funding	$ -	$ -	$ -	$ -	$ -	$ 5,300,000	$ 16,100,000
1499	$ 200,000	Auburn.Hamilton-Larimer	New Development	$ 200,000	$ -	$ -	$ -	$ -	$ -	$ -
1499	$ 4,000,000	HACP New Office	New Development	$ 4,000,000	$ -	$ -	$ -	$ -	$ -	$ -
Total:	$ 37,600,000			$ 4,200,000	$ 7,550,313	$ -	$ -	$ -	$ 6,473,122	$ 19,376,566

Uses: Modernization Soft

	Cost	Community	Item	CFP	RHF	ROSS	MROP	S8 FSS	Section 8	LIPH
1430	$ 500,000	Authority-Wide	Hazardous Materials Abatement	$ 500,000	$ -	$ -	$ -	$ -	$ -	$ -
1430	$ 800,000	Authority-Wide	Miscellaneous Mod Contingencies	$ 800,000	$ -	$ -	$ -	$ -	$ -	$ -
1465	$ 515,000	Authority-Wide	Equipment	$ 515,000	$ -	$ -	$ -	$ -	$ -	$ -
1495	$ 500,000	Authority-Wide	UFAS Unit Reasonable Acc. Relocation	$ 500,000	$ -	$ -	$ -	$ -	$ -	$ -
1485	$ 100,000	Authority-Wide	Demolition	$ 100,000	$ -	$ -	$ -	$ -	$ -	$ -
Total:	$ 2,415,000			$ 2,415,000	$ -	$ -	$ -	$ -	$ -	$ -

Uses: Modernization Hard

	Cost	Community	Item	CFP	RHF	ROSS	MROP	S8 FSS	Section 8	LIPH
1460	$ 600,000	Addison Terrace / Additions	REAC - Upgrade Units	$ 600,000	$ -	$ -	$ -	$ -	$ -	$ -
1460	$ 500,000	Bedford Dwellings	REAC - Major Roof Repairs	$ 500,000	$ -	$ -	$ -	$ -	$ -	$ -
1460	$ 200,000	PA Bidwell	REAC - Electrical Switchboard	$ 200,000	$ -	$ -	$ -	$ -	$ -	$ -
1460	$ 50,000	Pressley	REAC/Safety Items	$ 50,000	$ -	$ -	$ -	$ -	$ -	$ -
1460	$ 200,000	Allegheny Dwellings	REAC (Parapat Repairs)	$ 200,000	$ -	$ -	$ -	$ -	$ -	$ -
1460	$ 100,000	Allegheny Dwellings	Boxing Gym UFAS Parking	$ 100,000	$ -	$ -	$ -	$ -	$ -	$ -
1460	$ 628,000	Northview Heights Family	Roofs & Demo/Electrical/REAC	$ 628,000	$ -	$ -	$ -	$ -	$ -	$ -
1460	$ 700,000	Northview High Rise	Electrical Upgrade	$ -	$ -	$ -	$ -	$ -	$ -	$ 700,000
1460	$ 300,000	Northview High Rise	Elevators	$ 300,000	$ -	$ -	$ -	$ -	$ -	$ -
1460	$ 1,500,000	Northview Family Community	Roofs	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,500,000
1460	$ 400,000	Northview High Rise & Family Community	REAC - Concrete Work	$ -	$ -	$ -	$ -	$ -	$ -	$ 400,000
1460	$ 100,000	Hamilton-Larimer	REAC - Lighting & Siding	$ 100,000	$ -	$ -	$ -	$ -	$ -	$ -
1460	$ 100,000	Homewood	REAC - Concrete Work and Doors	$ 100,000	$ -	$ -	$ -	$ -	$ -	$ -
1460	$ 100,000	Arlington Heights	REAC - Security Screens	$ 100,000	$ -	$ -	$ -	$ -	$ -	$ -
1460	$ 140,000	Glen Hazel Family	REAC - Siding/Repair and Replace Concrete	$ 140,000	$ -	$ -	$ -	$ -	$ -	$ -
1460	$ 190,000	Caliguiri Plaza	REAC - Concrete Work and Windows	$ 190,000	$ -	$ -	$ -	$ -	$ -	$ -
1460	$ 100,000	Finello Pavilion	REAC/Safety Items	$ 100,000	$ -	$ -	$ -	$ -	$ -	$ -
1460	$ 1,200,000	Morse Gardens	Historic Windows/Roof/Garbage Chute	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,200,000
1460	$ 1,200,000	Carrick Regency	REAC - Change Plumbing Lines	$ 1,200,000	$ -	$ -	$ -	$ -	$ -	$ -
1460	$ 700,000	Gualtieri Manor	REAC - Window Replacement & Falling Bricks	$ 700,000	$ -	$ -	$ -	$ -	$ -	$ -
1460	$ 400,000	Scattered Sites	REAC - Rehab 3 to 5 Houses	$ 400,000	$ -	$ -	$ -	$ -	$ -	$ -
1460	$ 150,000	Authority-Wide	Miscellaneous Force Account	$ 150,000	$ -	$ -	$ -	$ -	$ -	$ -
Total:	$ 9,558,000			$ 5,758,000	$ -	$ -	$ -	$ -	$ -	$ 3,800,000

Administration:

	Cost	Community	Item	CFP	RHF	ROSS	MROP	S8 FSS	Section 8	LIPH
1430	$ 800,000	Authority-Wide	Dev/Mod - Program Management Services	$ 800,000	$ -	$ -	$ -	$ -	$ -	$ -
1408	$ 911,899	Authority-Wide	Resident Services - Salary	$ 911,899	$ -	$ -	$ -	$ -	$ -	$ -
1408	$ 297,409	Authority-Wide	Resident Services - Benefits	$ 297,409	$ -	$ -	$ -	$ -	$ -	$ -
1408	$ 813,435	Authority-Wide	Resident Services - Tenant Services Other	$ 623,872	$ -	$ -	$ -	$ -	$ -	$ 189,564
1408	$ 198,267	Resident Services	HCV-FSS - Salary	$ -	$ -	$ -	$ -	$ 198,267	$ -	$ -
1408	$ 64,000	Resident Services	HCV-FSS - Benefits	$ -	$ -	$ -	$ -	$ 64,000	$ -	$ -
1408	$ 35,262	Resident Services	ROSS - Salary	$ -	$ -	$ 35,262	$ -	$ -	$ -	$ -
1408	$ 12,000	Resident Services	ROSS - Benefits	$ -	$ -	$ 12,000	$ -	$ -	$ -	$ -
1408	$ 4,000,000	Authority-Wide	Protective Services	$ 4,000,000	$ -	$ -	$ -	$ -	$ -	$ -
1410	$ 939,429	Authority-Wide	Management Fees	$ 939,429	$ -	$ -	$ -	$ -	$ -	$ -
Total:	$ 8,071,702			$ 7,572,609	$ -	$ 47,262	$ -	$ 262,267	$ -	$ 189,564

			CFP	RHF	ROSS	MROP	S8 FSS	Section 8	LIPH
$37,600,000	Total Development:		$ 4,200,000	$ 7,550,313	$ -	$ -	$ -	$ 6,473,122	$ 19,376,566
$11,973,000	Total Modernization:		$ 8,173,000	$ -	$ -	$ -	$ -	$ -	$ 3,800,000
$8,071,702	Total Adminstration:		$ 7,572,609	$ -	$ 47,262	$ -	$ 262,267	$ -	$ 189,564
$49,573,000	Total Mod/Dev Budget:								
$57,644,702	Total Budget:		$ 19,945,609	$ 7,550,313	$ 47,262	$ -	$ 262,267	$ 6,473,122	$ 23,366,129